Section 7 Student Policies Subject 7.1 Student Services and Activities **Policy 7.1.24 Tax-Free Sales By Registered Student Organizations**	09/01/96- Originated 06/03/11- Reviewed w/ changes - Reviewed w/o changes Student Affairs - Author

Tax-Free Sales By Registered Student Organizations

Definitions

Registered Student Organization: An organization whose members consist of current UTMB students, faculty and/or staff that has completed the necessary registration criteria as outlined in the Student Organizations Handbook, published by the Office of Student Life. The organization may be profession and discipline specific, cultural, religious or social.

Policy

Texas law allows a Registered Student Organization (RSO) to be relieved from state sales tax liability for fund-raising sales of taxable items(s) (a) for which the sales price is $5,000 or less, or (b) which are manufactured or donated to the RSO, regardless of the sales price unless sold to the donor. This exemption applies if the RSO sells the item at a sale that lasts for one day only, and the primary purpose of which is to raise funds for the RSO. The RSO may not hold more than one such sale per month, and must file with the Comptroller a certificate issued by UTMB establishing the organizations affiliated with UTMB.

Refer to Chapter 151 of the Texas Tax Code for more information regarding this exemption, such as what constitutes a “taxable item”. Additional guidance is also available from the Texas Comptroller’s office online in the Texas Administrative Code, as certain items may or may not be expressly exempt from this tax requirement (e.g., 34 TAC Rule §3.293 Food; Food Products; Meals; Food Service).

All proposed sales events are subject to the Rules and Regulations of the Board of Regents of The University of Texas System, and to other institutional policies concerning the time, place, and manner of solicitation. Sales events must be conducted for the benefit of the registered student organization, and may not involve another entity not authorized to solicit under UTMB Policy or the Rules and Regulations of the Board of Regents of The University of Texas System. The items offered for sale may not be items that the register student organization obtained on consignment.

Reference

Texas Tax Code, Section §151.321
Texas Administrative Code, Title 34, Part 1, Chapter 3, Subchapter O

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Handbook for Registered Student Organizations