

SMU Tax Policies

Subject: Sales Tax – University Sales

Effective Date: 10/28/08

Revision Date: 08/23/17

Tax Policy: 5.7

The University is responsible for collecting and remitting sales tax on all sales of taxable tangible property, rentals, or services, unless the sales are specifically [exempt from tax](#) or a valid exemption certificate is provided at the time of the sale. The original vendor exemption certificate should be maintained and filed with departmental documentation and a copy should be provided to the Tax Department.

The University is exempt from collecting sales tax for two 24-hour events in each calendar year. Requests to be designated as one of the events should be forwarded to the Tax Department via email no later than December 1st for consideration for the subsequent year. After reviewing the request, the Tax Department will notify the requester of the determination. All auctions, including silent auctions, should be reviewed by the Tax Department.

Student organizations affiliated with the University are entitled to **one** 24-consecutive hour tax-free fundraiser event per month. During the first

\$5,000 of a student organization's total receipts from sales of taxable items in a calendar year, excluding the one 24-consecutive hours tax-free event per month, are exempt from sales tax.

Student organizations are responsible for documenting and tracking the allowed tax-free sales during the year to ensure compliance. Any sales qualifying for this exemption should be reported to the Tax Department on a quarterly basis.

Sales tax should be assessed at the appropriate tax rate for the sales tax location (currently 8.25 % for Dallas). It is the individual or department's responsibility to collect the sales tax on taxable items it sells and to record it in 2020-10-268442.

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