

Streamlined Sales Tax Certificate of Exemption

Do not send this form to the Streamlined Sales Tax Governing Board. Send the completed form to the seller and keep a copy for your records.

This is a multi-state form for use in the states listed. Not all states allow all exemptions listed on this form. The purchaser is responsible for ensuring it is eligible for the exemption in the state it is claiming the tax exemption from. Check with the state for exemption information and requirements. The purchaser is liable for any tax and interest, and possible civil and criminal penalties imposed by the state, if the purchaser is not eligible to claim this exemption.

1. Check if this certificate is for a single purchase. Enter the related invoice/purchase order # _____

2. A. Purchaser's name
WEST VIRGINIA UNIVERSITY RESEARCH CORPORATION

B. Business address City State Country Zip code
ONE WATERFRONT PLACE, PO BOX 6005 MORGANTOWN WV USA 26506

C. Name of seller from whom you are purchasing, leasing or renting

D. Seller's address City State Country Zip code

3. Purchaser's type of business. Check the number that best describes your business.

- | | | |
|--|--|--|
| <input type="checkbox"/> 01 Accommodation and food services | <input type="checkbox"/> 08 Real estate | <input type="checkbox"/> 15 Professional services |
| <input type="checkbox"/> 02 Agriculture, forestry, fishing, hunting | <input type="checkbox"/> 09 Rental and leasing | <input type="checkbox"/> 16 Education and health-care services |
| <input type="checkbox"/> 03 Construction | <input type="checkbox"/> 10 Retail trade | <input checked="" type="checkbox"/> 17 Nonprofit organization |
| <input type="checkbox"/> 04 Finance and insurance | <input type="checkbox"/> 11 Transportation and warehousing | <input type="checkbox"/> 18 Government |
| <input type="checkbox"/> 05 Information, publishing and communications | <input type="checkbox"/> 12 Utilities | <input type="checkbox"/> 19 Not a business |
| <input type="checkbox"/> 06 Manufacturing | <input type="checkbox"/> 13 Wholesale trade | <input type="checkbox"/> 20 Other (explain) |
| <input type="checkbox"/> 07 Mining | <input type="checkbox"/> 14 Business services | |

4. Reason for exemption. Check the letter that identifies the reason for the exemption.

- | | |
|---|--|
| <input type="checkbox"/> A Federal government (Department) * | <input type="checkbox"/> H Agricultural Production * |
| <input type="checkbox"/> B State or local government (Name) * | <input type="checkbox"/> I Industrial production/manufacturing * |
| <input type="checkbox"/> C Tribal government (Name) * | <input type="checkbox"/> J Direct pay permit * |
| <input type="checkbox"/> D Foreign diplomat # | <input type="checkbox"/> K Direct Mail * |
| <input type="checkbox"/> E Charitable organization * | <input checked="" type="checkbox"/> L Other (Explain) 501(C)(3) TAX EXEMPT ORGANIZATION |
| <input type="checkbox"/> F Religious organization * | <input type="checkbox"/> M Educational Organization * |
| <input type="checkbox"/> G Resale * | |

* see Instructions on back (page 2)

5. Identification (ID) number: Enter the ID number as required in the instructions for each state in which you are claiming an exemption. If claiming multiple exemption reasons, enter the letters identifying each reason as listed in Section 4 for each state.

ID number	State/Country	Reason	ID number	State/Country	Reason
AR			NV		
GA			OH		
IA			OK		
IN			RI		
KS			SD		
KY			TN		
MI			UT		
MN			VT		
NC			WA		
ND			WI		
NE			WV	1039-5500	WV
NJ			WY		

6. I declare that the information on this certificate is correct and complete to the best of my knowledge and belief.

Signature of authorized purchaser <i>David R. Kosslow</i>	Print name David Kosslow	Title Assit.treasurer	Date 01/11/2023
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Streamlined Sales and Use Tax Exemption Certificate Instructions

Sections 1-6 are required information. A signature is not required if in electronic form.

Section 1: Check the box for a single purchase and enter the invoice number. If the box is not checked, this certificate is considered a blanket certificate and remains effective until cancelled by the purchaser if purchases are no more than 12 months apart, unless a longer period is allowed by a state.

Section 2: Enter the purchaser's and seller's name, street address, city, state, country and zip code.

Section 3 Type of Business: Check the number that best describes the purchaser's business or organization. If none of the categories apply, check 20 and provide a brief description.

Section 4 Reason for Exemption: Check the letter that identifies the reason for the exemption. If the exemption you are claiming is not listed, check "L Other" and provide a clear and concise explanation of the exemption claimed. Not all states allow all exemptions listed on this form. The purchaser must check with that state for exemption information and requirements.

Section 5 Identification ID Number:

Purchaser's Instructions:

Enter the ID number as required in the instructions below for each state in which you are claiming an exemption. Identify the state or if a foreign ID, the country the ID number is from. If multiple exemption reasons are being claimed enter the letters identifying the reasons for exemption as listed in Section 4 for each state.

ID Numbers for Exemptions *other than resale:* You are responsible for ensuring that you are eligible for the exemption in the state you are claiming the tax exemption. Provide the ID number to claim exemption from sales tax that is required by the taxing state. Check with that state to determine your exemption requirements and status.

Foreign diplomats and consular personnel must enter their individual tax identification number shown on their sales tax exemption card issued by the United States Department of State's Office of Foreign Missions.

ID Numbers for *Resale Purchases (Including Drop Shipments):* If you are claiming a purchase is not subject to tax because it is for resale (Exemption Reason G.) and you are:

- 1. Required to be registered in the state you are claiming the tax exemption:** Provide your sales tax ID number issued by that state. If claiming exemption in OH and registration is not required in the state, enter any tax ID number issued by OH. If claiming exemption in MI and registration is not required in the state, enter "Not Required".
- 2. Not registered in the state you are claiming the tax exemption:** Provide your sales tax ID number issued by any state.
- 3. Not required to register for sales tax and you do not have a sales tax identification number from any state:** Enter
-Your FEIN.
-If you do not have a FEIN, enter a different state-issued business ID number.
-If you do not have any state-issued business ID number or FEIN, enter your state driver's license number.
- 4. A foreign purchaser and you do not have an ID number described in 1, 2 or 3:** The following states will accept the tax ID number (e.g., VAT number) issued by your country: AR, IN, KS, KY, ND, NJ, OK, RI, SD, TN, UT, WA, WY. All other states require an ID number as listed in 1, 2 or 3.

If you do not have any of the ID numbers listed in 1 thru 4: You are not required to list an ID number for the following states: NE, OH, SD, WI. Enter "Not Required" and the reason for exemption for that state. All other states require an ID number.

Seller's Instructions

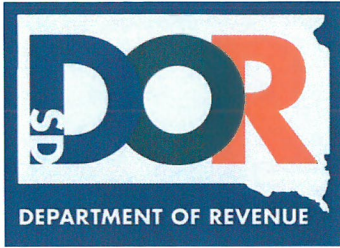
The seller is not required to verify the purchaser's ID number or determine the purchaser's registration requirements. (GA requires the seller verify the purchaser's ID number.) The seller is required to maintain proper records of exempt transactions and provide those records to the state when requested in the form in which it is maintained. These certificates may be provided in paper or electronic format.

The seller is not liable for any tax, interest, or penalty if the purchaser improperly claims an exemption or provides incorrect information on the certificate, provided all the following conditions are met:

1. The fully completed exemption certificate is provided to the seller at the time of sale or within 90 days subsequent to the date of sale;
2. The seller did not fraudulently fail to collect the tax due; and
3. The seller did not solicit customers to unlawfully claim an exemption.

Note: A seller may not accept a certificate of exemption for an entity-based exemption on a sale made at a location operated by the seller within the designated state if the state does not allow such an entity-based exemption.

Drop Shipper Instructions: The drop shipper may accept an ID number to claim the resale exemption as provided above in the Purchaser's Instructions. The ID number may include an ID number issued by another state. This may result in the same ID number being used for multiple states to claim the resale exemption (e.g., a retailer or marketplace seller may only be required to register for sales tax in one state).



<https://dor.sd.gov/> 1-800-829-9188

Exempt Entities

The purpose of this tax fact is to provide general guidelines and examples of situations which may occur when an exempt entity buys or sells products and services. It is not intended to answer all questions that may arise. The information contained in this fact sheet is current as of the date of publication.

November 2021

Exempt Entities

The governments from other states or the District of Columbia are exempt from sales tax if the law in that state provides a similar exemption for south Dakota governments. Governments providing a similar exemption are Colorado, Indiana, Iowa (motels and hotels are not exempt), Minnesota (motels and hotels are not exempt), North Dakota, Ohio, and West Virginia. The governments from states without a sales tax are exempt from South Dakota sales tax. These states are Alaska, Delaware, Montana, New Hampshire, and Oregon.

Examples of Exempt Entities:

- Governments, including SD public schools
- Non-profit Hospitals
- Religious educational institutions
- Non-profit accredited private educational institutions (must be registered with the Department of Revenue)
- Non-profit charitable hospitals licensed by the Department of Health
- Non-profit charitable relief agencies recognized by the Federal Government and the South Dakota Department of Revenue

South Dakota Taxes and Rates

State Sales Tax and Use Tax – Applies to all sales or purchases of taxable products and services.	4.5%
Municipal Sales Tax and Use Tax – Applies to all sales of products and services that are subject to the state sales tax or use tax if the purchaser receives or uses the product or service in a municipality that imposes a sales tax or use tax.	1 to 2%
Municipal Gross Receipts Tax (MGRT) – Imposed on alcoholic beverages, eating establishments, lodging accommodations, admissions to places of amusement, athletic, and cultural events. MGRT is in addition to municipal sales tax and use tax.	1%
Contractor's Excise Tax – Imposed on the gross receipts of all prime contractors engaged in construction services or realty improvement projects in South Dakota. The gross receipts include the tax collected from the consumer.	2%

Sales by Exempt Entities

Exempt entities selling products or services subject to sales must have a sales tax permit. The U.S. Government is not required to collect sales tax on taxable sales.

Management of Revolving Loan Fund

The receipts received by the State of South Dakota and any of its political subdivisions, including multi-county planning and development districts established pursuant to Executive Order 70-7, or its successor, from the management services provided to a revolving loan fund operated by a nonprofit entity are exempt from sales and use tax.

Membership Organizations

Membership organizations such as the YMCA, YWCA, Boy Scouts, Lions Club, or Jaycees are exempt from sales tax on gross receipts from sales of services made by them and from the sale of their membership fees.

However, gross receipts from sales of either services or tangible personal property made to such organizations are taxable and the gross receipts from sales of tangible personal property by such organizations are taxable.

Ambulance/Volunteer Fire Departments

Gross receipts resulting from sales to municipal or volunteer fire departments and volunteer ambulance departments are exempt from sales or use tax, provided the items purchased are for use by the department and title to the property will be retained by the department.

Churches

Churches are not exempt organizations; therefore, they are subject to sales tax on all purchases made for use by the church, its clergy and members.

Civic and Nonprofit Associations

Certain gross receipts resulting from the sale of tangible personal property by civic and nonprofit associations are exempt from the state and local sales taxes. Sales to these associations are generally subject to the state and municipal sales tax. Exempt receipts include:

- Sales of tickets and admissions to the grounds and grandstand attraction of state, county, district, and local fairs.
- Admissions to nonprofit historic sites and repertory theater performances operated by nonprofit organizations.
- Admissions to community-operated celebrations and shows sponsored by a Chamber of Commerce or other similar nonprofit organization are if the county, city, or town in which the activity takes place officially sponsors the activity no charge is made for the use of the county of city facilities or services.
- Admissions or receipts from activities sponsored and operated by colleges, elementary schools, high schools, or related clubs and supporting organizations when the entire net proceeds are spent for educational purposes. Sales tax must be paid on all purchases of items used or sold at the event (i.e. If the junior class is selling concessions at a school event, it would not need a sales tax license if the sales tax was paid at the time the candy, pop, or other items were purchased from the vendor).
- Gross receipts from sales made by religious, benevolent, fraternal, youth, or charitable activities when the net proceeds are used for religious, benevolent, fraternal, or charitable purposes or for youth associations and the event is for not more than three consecutive days. Sales tax must be paid on items or services purchased by the organization for the organization unless the organization has obtained a sales tax license and is paying sales tax on the receipts resulting from the sale.
- Charges for entry fees for engaging in tournaments, contests, and league activities. However, receipts from the purchase of tangible personal property or services for use in the activity are subject to the sales tax.
- Certain fundraising activities to benefit homeless persons are exempt from sales tax. To be exempt these must be admissions to events or receipts from activities sponsored and operated by religious, benevolent, or charitable organizations. The event or activity cannot exceed thirty days in any calendar year.

Exception: Admissions to rodeo and rodeo related events are always subject to sales tax.

Purchases by Exempt Organizations

Three things must occur before purchases of tangible personal property are exempt from sales tax. First, an exemption certificate or government voucher is presented at the time of the purchase by an authorized official of the exempt entity and maintained in the business records for three years. Second, payment is made from the entity's own funds. And third, title to the property is retained in the name of the entity. If an employee purchases items or series without an official voucher and is later reimbursed, those charges are sales taxable at the time of purchase.

All certificates and vouchers, except those furnished by the U.S. Government; the State of South Dakota; counties, cities, and townships; and nonprofit charitable hospitals should have the exemption number of the organization on the certificate. The exemption number will contain either an RG, RA, RS, or RE (i.e. 0000-0000RA).

The department recommends that businesses review exemption certificates annually and request new forms when needed.

This exemption from sales tax does not extend to purchases for the personal use of officials, members, or employees of the exempt organization, or for purchases to be used in the operation of a taxable business location in an exempt institution.

Relief Agency

A **relief agency** is any nonprofit charitable organization which devotes its resources exclusively to the relief of the poor, distressed or underprivileged, and has been recognized as an exempt organization under § 501(c) (3) of the Internal Revenue Code. SDCL [10-45-10](#). The relief agency must be providing the actual services. Agencies and foundations that raise funds and distribute the monies or products to other agencies that provide the relief are not exempt from sales tax.

Contractor's Tax Liability

If an exempt entity hires a contractor to perform construction services or realty improvement work for that entity, the contractor will owe excise tax on the gross receipts from that work. In addition, the contractor will owe sales or use tax on all materials they use in the project. The contractor must pay use tax and contractor's excise tax on materials supplied by the exempt entity for use in their work.

An exempt entity may NOT issue an exemption certificate to a contractor that is performing construction services or realty improvements for that entity.

State law allows contractors to list their tax expense as a separate line item on all contracts and bills. The contractor's excise tax and the contractor's use taxes are part of the contractor's total bill and are collectible from all entities, both public and private.

Unlicensed Contractors

Public corporations may not award contracts for the construction of any public improvement to unlicensed contractors. Please contact the Department of Revenue at 1-800-829-9188 to verify the contractor's license prior to letting bids.

Contractors must provide documentation to the public corporation that these licensing requirements are met before the public corporation can do business with them.

Retailers or contractors may obtain an application for a tax permit from our website at <https://dor.sd.gov/> or by calling 1-800-829-9188.

Contact Us

If you have any questions, please contact the **South Dakota Department of Revenue**.

Call toll-free: 1-800-829-9188

Business Tax Division Email: bustax@state.sd.us

Website: <https://dor.sd.gov/>

Mailing address and office location: South Dakota Department of Revenue
445 East Capitol Ave
Pierre, SD 57501