

## **TAX DOCUMENTATION NEEDED FROM TAX-EXEMPT CUSTOMERS PURCHASING GOODS AND SERVICES FROM UCONN**

### **1) Guidance Overview:**

The Federal government, qualifying Connecticut agencies, political subdivisions, or municipalities, and most non-profit organizations are exempt from Connecticut sales and use, admissions, and occupancy taxes. As such, UConn is not required to charge or collect sales and use, admissions, or occupancy tax on sales made to these entities IF the entity provides acceptable documentation and an acceptable payment method to substantiate their tax-exempt status.

### **2) Acceptable Documentation:**

UConn may exclude sales tax from an otherwise taxable sale, provided we receive one of the following forms from the customer:

a) If the customer is purchasing **goods or services other than meals or lodging:**

- **CERT-119:** Non-profit organizations (excluding governmental agencies); used to purchase tangible goods or taxable services
- **CERT-113:** Same as CERT-119; but specifically for non-profit hospitals and nursing homes
- **CERT-134:** Governmental Agencies (Federal and CT) used to purchase tangible goods or taxable services, excludes meals and lodging

b) If the customer is purchasing **meals or lodging:**

- **CERT-112:** For **one-time** use only; single event
- **CERT-123:** May be used as **blanket** certificate, and kept on file for 6 years
- Forms CERT-112 and CERT-123 **require preapproval** from the Connecticut Department of Revenue Services (“DRS”) at least 3 weeks in advance of the event or occasion. As, such, UConn may only accept these forms if the DRS has completed the section entitled “This Section is Completed by the Department of Revenue Services.”
- If Form CERT-112 or CERT-123 is provided after an invoice has been issued to a customer, the customer must adhere to the following:
  - Pay the invoice in full, including sales tax
  - Complete and submit **CERT-122** to the DRS if the tax-exempt entity is requesting a refund of taxes paid on a meal or lodging purchase
  - The tax reimbursement is then processed and issued by the State of Connecticut, not by UConn
  - Questions on refund status must then be directed to the DRS

c) Other Acceptable Documentation:

- **CERT-132:** Businesses issued a special exemption permit from the DRS under the “*Buy Connecticut*” Provision; used to purchase either:
  - tangible property to be shipped and used by the purchaser outside of CT or
  - tangible property used to make other tangible property processed or manufactured in Connecticut but which will be subsequently shipped and used outside of CT
- **CT Sales & Use Resale Certificate:** The purchaser is certifying that it will assume responsibility for remitting sales tax on the purchase, if it is required.
- The DRS has authorized a number of other exemption forms, each of which applies to specific situations. If a purchaser presents you with documentation to substantiate its tax-exempt status other than the CERT forms listed above, please contact the Tax and Compliance department to determine if the provided documentation is acceptable.

d) Certain Federal Government Purchases:

- The federal government has implemented the “GSA SmartPay” program which enables Federal employees to purchase meals and lodging on a tax-free basis by using certain GSA SmartPay credit cards *when the purchases are billed to and directly paid by the federal government*. U.S. government agencies making tax-exempt purchases of meals and lodging using GSA SmartPay cards **are not required** to get preapproval for these purchases from the DRS and are not required to provide UConn with CERT-112. Please note, however, that purchases made by federal employees using *individually billed accounts* instead of the purchase being directly billed to and paid for by the federal government, are NOT exempt from sales tax. See [Policy Statement 2019\(1\)](#).

e) State of Connecticut Purchasing Card (P-Card):

- The State of Connecticut has developed a P-Card program for state agencies and municipalities. P-Cards, which are similar to credit cards, may be used by authorized personnel to make agency or municipality purchases. In addition to having the agency’s or municipality’s tax-exemption number on the face of the P-Card, State of Connecticut or the municipality’s name is printed on the card. Although P-cards include the individual state or municipal employee’s name, the purchase is made by the qualifying agency or municipality and, therefore, is exempt from tax. See [Policy Statement 2010\(7\)](#).

### 3) Unacceptable Documentation:

The following documentation is not sufficient for UConn to exclude sales tax from an otherwise taxable sale, unless accompanied by documentation specified in Section 2 above:

- a) **501(c) / 501(c)(3) Organization Letter issued by the IRS:** can only be used without a CERT form when claiming exemption from CT State *income tax*.
- b) **Connecticut State Agency Tax Exemption Number issued by the DRS**

### 4) Acceptable and Unacceptable Payment Methods:

#### a) Acceptable Payment Methods:

- Check or credit card in the name of the exempt organization or government entity
- GSA Smart Pay credit card
- State of Connecticut P-Card

#### b) Unacceptable Payment Methods:

- Check or credit card in the name of an individual (including an employee, member, officer, or other representative of the exempt organization or government entity), rather than in the name of the exempt organization or government entity
- Cash payments may not be accepted for any meal or lodging purchase or with a **blanket** CERT-113, **blanket** CERT-119 or **blanket** CERT-134

### 5) Related Documents:

- UConn Tax Collection Matrix for Connecticut Sales & Use Taxes, Admissions Taxes, and Occupancy Taxes <https://tax.uconn.edu/wp-content/uploads/sites/1262/2020/03/Sales-and-Use-Tax-Collection-Matrix-for-website-pdf-3.5.20.pdf>
- Sales Tax Implications for Conference Room Rentals <https://tax.uconn.edu/wp-content/uploads/sites/1262/2020/03/Sales-Tax-and-Conference-Room-Rentals-website-pdf.pdf>
- Connecticut Resale Certificate <https://portal.ct.gov/-/media/DRS/Forms/1995Forms/Resale-Certificate.pdf?la=en>
- Connecticut Department of Revenue Services – Exemption Certificates <https://portal.ct.gov/DRS/Sales-Tax/Exemption-Certificates>