SUL ROSS STATE UNIVERSITY
A Member of the Texas State University System

SRSU Policy: State Sales Tax Exemptions and Responsibilities
SRSU Policy ID: APM 3.08
Policy Reviewed by: Executive Cabinet
Approval Authority: VP of Finance and Operations
Approval Date: June 23, 2025
Next Review Date: June 23, 2030

A.   Sul Ross State University adheres to guidelines on sales tax exemptions and responsibilities for universities issued by the State Comptroller's Office.

B.   Exempt Entities - To be exempt from the sales tax, a college or university must be authorized by the Texas Legislature. A college or university that qualifies as an exempt organization does not have to pay sales tax on the cost of merchandise necessary to the function of the institution when the merchandise is purchased for use by the institution and is paid for by the institution.

C.   Exemption Certificates - An exemption certificate in a form prescribed by the Comptroller is usually issued by an exempt organization or its authorized employees to make tax-free purchases of merchandise for the organization. An exemption certificate must be given to the vendor when an authorized employee of an exempt organization makes a purchase of merchandise for the organization.

D.   Employees Not Exempt - An employee of a college or university cannot claim an exemption from the sales tax when purchasing items of a personal nature even though the employee receives an allowance or reimbursement from the institution.

E.   Cafeteria/Bookstore - A State college or university that operates a cafeteria or bookstore must collect sales tax on taxable sales and deposit the tax collected in accordance with the Comptroller's Accounting Policy Statement 008.

F.   Hotel Occupancy Tax - A person traveling on official business for an exempt organization must pay sales tax on taxable purchases. Employees are exempt from paying the State Hotel Occupancy Tax when traveling on official State business within Texas. A completed Hotel Occupancy Tax Exemption Certificate is required.