

Sales Tax Applicability:

Sales of tangible personal property by the University: Per the Alabama Department of Revenue Sales and Use Tax Rule number 810-6-2-.88.03, all retail sales of tangible personal property made by Auburn University are subject to sales tax. As a result, you must collect sales tax on sales your department makes to both internal and external parties. The following localities are the ones for which we collect sales tax:

Taxing Jurisdiction	Sales Tax Rate	Sales Tax Account
Auburn	9%	101002 20303
Montgomery	10%	101002 20304
Covington County	6.5%	101002 20303
Gulf Shores	10%	101002 20306
Dauphin Island	10%	101002 20307

Taxable sales made outside of these localities should be charged 9% sales tax and recorded in 101002 2030.

Purchases of tangible personal property by the University: Per the Alabama Department of Revenue Sales and Use Tax Rule number 810-6-3-.47.04, sales of tangible personal property to a state school for its **sole use** (and not resale) are exempt from sales tax. Purchases for resale are subject to the tax.

Excise Tax Applicability:

Retail Excise Taxes: Per Internal Revenue Code §4041(g), purchases made by Auburn University for its exclusive use are exempt from retail excise taxes. Purchases for resale are subject to the tax.

Manufacturers Excise Tax: Per Internal Revenue Code §4221(a), purchases made by Auburn University for its exclusive use are exempt from manufacturers excise taxes. Purchases for resale are subject to the tax.

Communications Excise Tax: Per Internal Revenue Code §4253, Auburn University is exempt from the federal communications excise tax on telephone services provided to the University. The University **is not** exempt from any state communications excise taxes.

Other Taxes:

Auburn University is not exempt from lodging taxes, rental taxes, state utility taxes, or lease taxes.

Note: A copy of Auburn's tax-exempt certificate may be obtained by emailing Stephanie Hutchinson (skh0052@auburn.edu).

Out of State Sales- For sales shipped outside the State of Alabama, no sales tax is charged. The selling department must retain information to show the shipping address for verification in case of audit.