Tax

Responsible Officer: Chief Financial Officer and Vice President
Sponsoring Department: Procurement Services
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Errors or changes to: aim@uta.edu

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PROCEDURE OBJECTIVE

This procedure provides guidelines for the payment of, or exemption from, taxes applied to UT Arlington purchases.

RATIONALE

Employees who make purchases for UT must be aware of which taxes must be paid, which taxes the University does not pay, and the forms that are to be provided to vendors to process tax exemptions.

SCOPE

All employees involved in making purchases for UT Arlington departments.

WEBSITE ADDRESS FOR THIS PROCEDURE

http://www.uta.edu/policy/procedure/4-16

RELATED STATUTES, POLICIES, REQUIREMENTS OR STANDARDS
### CONTACTS

If you have any questions about this procedure, contact the following departments:

<table>
<thead>
<tr>
<th>Subject</th>
<th>Office Name</th>
<th>Telephone Number</th>
<th>Email/URL</th>
</tr>
</thead>
<tbody>
<tr>
<td>All topics in Procedure</td>
<td>Procurement Services</td>
<td>817-272-2194</td>
<td><a href="mailto:procurement@uta.edu">procurement@uta.edu</a></td>
</tr>
<tr>
<td>Website access</td>
<td>Administrative Information Management</td>
<td>817-272-0222</td>
<td><a href="mailto:aim@uta.edu">aim@uta.edu</a></td>
</tr>
</tbody>
</table>

### DEFINITIONS

N/A

### RESPONSIBILITIES

**Employee**

- Purchases gasoline with personal funds while on travel status
- Provides vendor with Texas Sales and Use Tax Exemption Certification if needed

**The University**

- Pays or reimburses taxes for motor fuel, restaurant dining, and catering

### PROCEDURES

**Section I. State and City Sales Tax**

A. The University is exempt from paying state and city sales tax under Texas Tax Code, Section 151.309(4).

1. The Texas Sales and Use Tax Exemption Certification (Form 2-5) is to be presented to vendors as needed.
2. Texas state sales tax will not be reimbursed.

B. The State of Texas is not exempt from the Texas motor fuel tax; therefore, the University will approve payment of taxes for motor fuel. State employees on travel status are required to use personal funds for the purchase of gasoline.

Section II. Federal Excise Tax

The University is exempt from paying federal excise tax.

Section III. Sales Tax on Rental Cars

Sales tax on rent cars rented in Texas and in other states is reimbursable.

Section IV. Tax on Food and Lodging

A. Taxes applied to dining in a restaurant and for catering (pick-up and delivery) will be approved for payment.

B. Texas state lodging tax will not be reimbursed but other hotel taxes such as city, county local or out of state taxes are reimbursable.

FORMS AND TOOLS/ONLINE PROCESSES

• Texas Sales and Use Tax Exemption Certification

APPENDICES

Texas Comptroller’s Search Website for Tax Exempt Organizations