

## Tax

Responsible Officer: Chief Financial Officer and Vice President

Sponsoring Department: Procurement Services

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Errors or changes to: [aim@uta.edu](mailto:aim@uta.edu)

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## PROCEDURE OBJECTIVE

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

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## RATIONALE

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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.

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## SCOPE

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All employees involved in making purchases for UT Arlington departments.

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## WEBSITE ADDRESS FOR THIS PROCEDURE

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

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## RELATED STATUTES, POLICIES, REQUIREMENTS OR STANDARDS

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UT System Administration Policies and Standards	Other Policies and Standards
<a href="#">UTS159, Purchasing Regents' Rules and Regulations, Rule 20901, Procurement of Certain Goods and Services</a>	<a href="#">Texas Tax Code Section 151.309(4) Governmental Entities</a> <i>Transportation Does Not Apply to State Accounts</i> ( <a href="#">Procedure 2-89</a> )

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## CONTACTS

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

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

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## DEFINITIONS

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N/A

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## RESPONSIBILITIES

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### 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

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## PROCEDURES

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### 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.

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## **FORMS AND TOOLS/ONLINE PROCESSES**

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- *Texas Sales and Use Tax Exemption Certification*([Form 2-5](#))

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## **APPENDICES**

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[Texas Comptroller's Search Website for Tax Exempt Organizations](#)