

Florida Department of Revenue
Tax Information Publication

TIP 00A01-25

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**Notice to Non-Profit Organizations of
"501(c)(3)" Sales Tax Exemption on Purchases**

Effective January 1, 2001, non-profit organizations that have been determined by the Internal Revenue Service (IRS) to be exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code (IRC) will qualify for a Florida sales tax exemption on their direct **purchases**.

Sales Tax Exemption Applies To Direct Purchases Only

The sales tax exemption is available only for direct purchases by the holder of a valid Consumer's Certificate of Exemption (Form DR-14). Purchases made with personal funds on behalf of the organization are **taxable**, even if the purchaser presents the dealer with the organization's exemption certificate and states that he or she will be reimbursed by the organization. Only those purchases made with the non-profit organization's exemption certificate and the nonprofit organization's own funds will qualify as "direct" purchases entitled to the sales tax exemption.

Requirements

To qualify for the new Florida sales tax exemption, your organization must obtain from the IRS a determination letter of exemption from federal income tax under section 501(c)(3), IRC.

Please contact the IRS, not the Florida Department of Revenue, to obtain a determination of section 501(c)(3) status. A copy of the IRS determination letter must accompany a completed Application for Consumer's Certificate of Exemption (Form DR-5) submitted to the Florida Department of Revenue.

How To Obtain Florida Form DR-5

Application For Consumer's Certificate of Exemption

The Application for Consumer's Certificate of Exemption (Form

DR-5) can be obtained in any of the following five ways:

1. Fax-on-Demand: Call 850-922-3676 using the telephone on your fax machine. Follow the instructions and request document number 1027.
2. Fax: Fax your request to 850-922-2208. Be sure to include the form number (DR-5) and provide your mailing address.
3. Telephone: Call the Florida Department of Revenue Distribution Center at 850-488-8422. Hearing or speech impaired persons should call the TDD at 1-800-367-8331 or 850-922-1115.
4. Mail: Mail your request to: Distribution Center, Florida Department of Revenue, 168A Blountstown Hwy, Tallahassee, FL 32304-3702.
5. Service Centers: Visit or call the Department of Revenue service center nearest you. Service center addresses and phone numbers are available in the government listing pages of your telephone directory, or on our Web site at:
<http://sun6.dms.state.fl.us/dor/>

How To Obtain Federal 501(c)(3) Status

The United States Internal Revenue Service is the only source for obtaining a determination letter of federal tax exempt status under section 501(c)(3). To obtain a determination letter, a non-profit organization must contact the IRS. If you believe that your organization qualifies or will qualify for such exemption, you should file an application with the IRS as soon as possible.

The forms used to apply for federal 501(c)(3) exempt status are IRS Form 8718, "User Fee for Exempt Organization Determination Letter Request", and IRS Form 1023, "Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code". IRS Publication 557, "Tax-Exempt Status for Your Organization", may also be helpful.

These forms and publications may be ordered from the IRS by telephone at 1-800-829-3676 or downloaded from the IRS Website at "http://www.irs.ustreas.gov/prod/forms_pubs/index.html".

Only the IRS will issue a determination letter of 501(c)(3) status. Please do not contact the Florida Department of Revenue

to obtain such status.

For More Information

This document is intended to alert you to the requirements contained in Florida laws and administrative rules. It does not by its own effect create rights or require compliance.

Information and forms are available on our Internet site at <http://sun6.dms.state.fl.us/dor/>

To receive forms by mail:

- * Order multiple copies of forms from our Internet site at <http://sun6.dms.state.fl.us/dor/forms/order>, or
- * Fax your form request to the DOR Distribution Center at 850-922-2208, or
- * Call the DOR Distribution Center at 850-488-8422, or
- * Mail your form request to:

DISTRIBUTION CENTER, FLORIDA DEPARTMENT OF REVENUE, 168A BLOUNTSTOWN HWY, TALLAHASSEE FL 32304-3702

To receive a fax copy of a form, call 850-922-3676 from your FAX machine telephone.

To speak with a Department of Revenue representative, call Taxpayer Services, Monday through Friday, 8 a.m. to 7 p.m., ET, at 1-800-352-3671 (in Florida only) or 850-488-6800.

For a written response to your questions, write:

TAX INFORMATION SERVICES, FLORIDA DEPARTMENT OF REVENUE, 1379 BLOUNTSTOWN HWY, TALLAHASSEE FL 32304-2716

Hearing or speech impaired persons may call the TDD line at 1-800-367-8331 or 850-922-1115.

Department of Revenue service centers host educational seminars about Florida's taxes. For a schedule of upcoming seminars,

- * visit us online at <http://sun6.dms.state.fl.us/dor/>,

or

- * call the service center nearest you.

References:

Chapter 2000-228, L.O.F.

Section 212.08(7)(p), F.S.