

12A-1.0011 Schools Offering Grades K through 12; Parent-Teacher Associations; and Parent-Teacher Organizations.

(1)(a) For purposes of this rule, "schools offering grades K through 12" means state tax-supported, or parochial, church, and nonprofit private schools operated for and attended by pupils of grades K through 12.

(b) For purposes of this rule, "Parent-Teacher Organizations (PTOs)" and "Parent-Teacher Associations (PTAs)" mean those nonprofit organizations associated with schools whose purpose is to raise funds for schools teaching grades K through 12.

(2) PURCHASES BY SCHOOL DISTRICTS.

(a) School districts may purchase taxable goods and services necessary for parent-teacher associations or parent-teacher organizations tax exempt, as provided in s. 212.0821, F.S.

(b) The purchases made by the school district must be made with funds provided by the parent-teacher association or parent teacher organization to the school district. The school district may extend a copy of its Consumer's Certificate of Exemption to the selling dealer at the time of the purchase to make such tax exempt purchases.

(3) SALES OF SCHOOL MATERIALS AND SUPPLIES AND FUND-RAISING ITEMS.

(a) The sale of school books used in regularly prescribed courses of study in schools offering grades K through 12 is exempt. School books include printed textbooks and workbooks containing printed instructional material, such as questions and answers, that are used in regularly prescribed courses of study in schools offering grades K through 12.

(b) The sale of yearbooks, magazines, newspapers, directories, bulletins, and similar publications distributed by schools offering grades K through 12 is exempt.

(c)1. Schools offering grades K through 12 and parent-teacher associations or parent-teacher organizations whose primary purpose is to raise funds for such schools may pay tax to their suppliers on the cost price of items in lieu of registering as a dealer, obtaining a Consumer's Certificate of Exemption, or collecting tax on their sales of the following taxable items:

a. School materials and supplies purchased, rented, or leased for resale or rental to students attending grades K through 12;

b. Items sold for fund raising purposes, such as candy, photographs, greeting cards, wrapping paper, and similar fund raising items;

c. Items sold through vending machines located on the school premises;

d. Food and beverages sold through vending machines located on school premises in locations other than the student lunchroom, student dining room, or other area specifically designated for student dining. See subsection (4).

2. Example: A parent-teacher association operates a book store selling school supplies, such as pencils, paper, and notebooks, to elementary school students. The parent-teacher association is not registered as a dealer. The parent-teacher association must pay tax to its suppliers on items sold to students in the book store, but is not required to collect sales tax from the students purchasing items from the book store.

(d)1. Schools offering grades K through 12, parent-teacher associations, and parent-teacher organizations that do not elect to pay tax to their suppliers on the purchase of items, as provided in paragraph (c), must register in the same manner as other dealers and collect and remit tax on taxable transactions. (See Rule 12A-1.060, F.A.C.) As registered dealers, schools offering grades K through 12, parent-teacher associations, and parent-teacher organizations may issue a copy of their Annual Resale Certificate (form DR-13) in lieu of paying tax on the purchased items for the purposes of resale.

2. Example: A parent-teacher organization holds a fund raising event to purchase additional computers for the school library. The students and faculty will obtain orders for a variety of gift items that will be purchased from a company engaged in the business of assisting schools with fund raising events. The parent-teacher organization collects the orders, determines the gift items that have been ordered in total, and places its order with the company. Payment to the company is made directly by the parent-teacher organization. **If the parent-teacher organization does not pay sales tax to the company for its purchases of gift items, the parent-teacher organization must register as a dealer and collect and remit sales tax on its sales of the gift items. The parent-teacher organization may extend a copy of its Annual Resale Certificate to purchase the gift items tax exempt for the purposes of resale.**

(4) SALES OF FOOD AND BEVERAGES.

(a) Food and beverages sold or served in the student lunchroom, student dining room, or other area designated for student dining in schools offering grades K through 12, as part of a school lunch to students, teachers, school employees, or school guests are exempt.

(b) Food and beverages sold or dispensed through vending machines or other dispensing devices located in the student lunchroom, student dining room, or other area designated for student dining in schools offering grades K through 12 are exempt.

(c) Food and beverages sold through vending machines or other dispensing devices located in a gymnasium, shop, teachers' lounge, corridor, or other area accessible to the general public and not specifically designated for student dining are subject to tax at the rates established in s. 212.0515(2), F.S.

(5) ADMISSION CHARGES.

(a) When only student or faculty talent is used in an athletic or other event sponsored by a school, admission charges are exempt.

(b) When a student is required to participate in a sport or recreation pursuant to a program or activity sponsored by, and under the jurisdiction of, the student's school, admission charges for participation imposed by the place of sport or recreation are exempt. The student's school will issue a certificate for the student to present to the organization charging the admission. If the student attends such place as a spectator, admission charges are taxable.

(c) When a state tax-supported school or other governmental entity sponsors, administers, plans, supervises, directs, and controls an athletic or recreational program, participation or sponsorship fees are exempt. The athletic or recreational program may be run in conjunction with a not-for-profit entity under s. 501(c)(3) of the Internal Revenue Code of 1986, as amended.

(d) When state tax-supported schools sponsor an athletic or other event and the talent to provide the event is not limited to students or faculty, admission charges to the event are exempt when:

1. The risk of success or failure for the event lies completely with the school sponsoring the event;
2. The funds at risk for the event must belong completely to the school sponsoring the event; and
3. The event is held in a convention hall, exhibition hall, auditorium, stadium, theater, arena, civic center, performing arts center, or publicly owned recreational facility.

(e) Admission charges, dues, and membership fees to an event or program sponsored by a school, parent-teacher association, or parent-teacher organization that qualifies as a not-for-profit entity under the provisions of s. 501(c)(3) of the Internal Revenue Code of 1986, as amended, are exempt.

Specific Authority 212.17(6), 212.18(3), 213.06(1) FS. Law Implemented 212.04(2)(a), 212.08(7)(o), (r), (ll), 212.0821 FS. History-New 6-19-01.

