

**Application for Sales Tax Exemption Number for Religious or Charitable Institutions**

Name of organization

Mailing address

Physical address (if different from mailing address)

City

State

ZIP Code

City

State

ZIP Code

1. Per administrative rule R865-19S-43, applicant must document exemption status as follows:
  - A. Attach a copy of the IRS determination letter exempting your organization from federal income tax under IRC §501(c)(3);
  - B. If your organization is claiming exemption as a subunit of a central organization, attach a copy of the central organization's religious or charitable 501(c)(3) determination letter and IRS group exemption letter naming your organization as a subunit;
  - C. If your organization is not required to obtain an IRS determination letter, you must attach documentation (copies of your *Articles of Incorporation*, *Articles of Organization*, or other similar documents) showing that your organization is exempt from tax under IRC §501(c)(3); or
  - D. If your organization is a "disregarded entity" that does not have an IRS 501(c)(3) determination letter, attach the following verification:
    - a) an affidavit or other evidence from the organization's sole member that the organization is a "disregarded entity" within the meaning of Federal Reg. §§301.7701-2 and 301.7701-3;
    - b) copy of the organization's Articles of Organization; and
    - c) copy of the sole member's IRS 501(c)(3) determination letter.

2. **Federal Identification Number of organization**   -

3. Briefly state the specific purpose for which the organization was formed and the proposed means of obtaining funds to operate and maintain the organization. Do not quote directly from Articles of Incorporation or other submitted documents.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

4.  Yes  No Do you now or do you expect to have sales income from an unrelated trade or business as defined by the Internal Revenue Service?

**Caution: Sales and Franchise tax exemptions do not apply to unrelated trade or business income.**

If "Yes," indicate approximate yearly amount: \$ \_\_\_\_\_

Under penalties of perjury, I declare that to the best of my knowledge and belief, this application, including accompanying documents, is true, correct, and complete. I further agree to make the organization's records available for an audit when the Tax Commission deems it necessary to verify the proper use of the sales tax exemption account number.

Print name of officer or member	Telephone number of organization	Date
Signature of officer or member	Title	

Tax Commission Use Only	
Date received	<input type="checkbox"/> Approved <input type="checkbox"/> Denied
Exemption number	Tax Commission authorized signature X

Make a copy of this form for your records. Send the original to: **RELIGIOUS AND CHARITABLE SECTION  
UTAH STATE TAX COMMISSION  
210 N 1950 W  
SLC UT 84134**

For more information, you may contact the Tax Commission by phone at 801-297-2200 or 1-800-662-4335. The fax number is 801-297-6358.

If you need an accommodation under the Americans with Disabilities Act, contact the Tax Commission at 801-297-3811 or TDD 801-297-2020. Please allow three working days for a response.

### **R865-19S-43. Sales to or by Religious and Charitable Institutions Pursuant to Utah Code §59-12-104.**

- A. In order to qualify for an exemption from sales tax as a religious or charitable institution, an organization must be recognized by the Internal Revenue Service as exempt from tax under Section 501(c)(3) of the Internal Revenue Code.
- B. Religious and charitable institutions must collect sales tax on any sales income arising from unrelated trades or businesses and report that sales tax to the Tax Commission unless the sales are otherwise exempted by law.
  1. The definition of the phrase "unrelated trades or businesses" shall be the definition of that phrase in 26 U.S.C.A. Section 513 (West Supp. 1993), which is adopted and incorporated by reference.
- C. Every institution claiming exemption from sales tax under this rule must submit form TC-160, Application for Sales Tax Exemption Number for Religious or Charitable Institutions, along with any other information that form requires, to the Tax Commission for its determination. Vendors making sales to institutions exempt from sales tax are subject to the requirements of Rule R865-19S-23.

### **Internal Revenue Code (IRC) Section 501(c)(3)**

Corporations, and any community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or to foster national or international amateur sports competition (but only if no part of its activities involve the provision of athletic facilities or equipment), or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation (except as otherwise provided in subsection (h)), and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.

### **IRS 501(c)(3) Determination Letter Exceptions**

Internal Revenue Code (IRC) Section 508(c)(1), *Special Rules with Respect to Section 501(c)(3) Organizations*, exempts the following organizations from obtaining a 501(c)(3) determination letter:

- churches, their integrated auxiliaries, and conventions or associations of churches, or
- any organization which is not a private foundation (as defined in section 509(a)) and the gross receipts of which in each taxable year are normally not more than \$5,000.

Organizations meeting this exemption, that do not have an IRS determination letter, must attach other documentation such as *Articles of Incorporation*, *Articles of Organization*, bylaws or other evidence to verify they are exempt from tax under IRC Section 501(c)(3).