Requests for Reimbursement: Sales Tax

Anyone responsible for making or approving purchases with Charter School Program (CSP) funds should be made aware that **sales tax will not be reimbursed for purchases made with CSP funds.**

Schools should present their ST-101 exemption form to all existing and new vendors. Additionally, schools should set up tax-exempt accounts for vendors that offer this option, such as Amazon, to ensure all transactions are conducted without sales tax. By providing the ST-101 exemption form at the start of any vendor relationship, this proactive approach helps avoid sales tax charges, which are not reimbursable under CSP funds.

If a sales tax-exempt entity provides the proper information to their vendors, then sales tax should not be applied to any purchases moving forward.

Idaho exempts schools from sales tax as follows (copied from the ST-101 instructions):

Schools. Certain public or nonprofit schools qualify. These schools include:
• Colleges and universities
• Primary, secondary, and **charter schools**
• Idaho Digital Learning Academy
Auxiliary organizations such as parent-teacher associations, booster clubs, and alumni groups don't qualify.
Schools primarily teaching subjects like business, dance, theater arts, music, cosmetology, writing and gymnastics don't qualify.

If a vendor charges you sales tax on an invoice that you are submitting for reimbursement, please cross out the sales tax on the invoice and submit the request for the amount invoiced excluding the tax. **We cannot reimburse sales tax because you are not required to pay it, so this makes it an unallowable expense.**

Send the vendor a form ST-101 found here and ask them to cancel the sales tax charge and send you a revised invoice. We can reimburse you based on the original invoice with the sales tax crossed out or based on the revised invoice.

https://tax.idaho.gov/document-mngr/forms_EFO00149/

Please contact the finance team for assistance or further questions
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