

## **Texas A&M AgriLife Banking and Receivables Collection of Sales Tax**

Texas A&M Extension Service and Texas A&M AgriLife Research are exempt from paying State of Texas [sales tax](#) on purchases. However, it is not exempt from collecting tax on sales made by the agencies.

When a unit sells a taxable item, it is responsible for collecting the sales tax, unless proof of tax exemption is obtained. Sales tax [exemption forms](#) should be kept on file by the selling unit following the retention schedule (current fiscal year + 3 years). The tax-exempt certification may be attached to the iPayment file or retained by the unit in a secure location.

Example taxable items: clothing, computer programs, meals, books, equipment rental

Example nontaxable items: room rental, conference registration, booth rental, dues

Organizations can be verified as exempt by using the State's online [Exempt Organization Search](#).

### Website Resources

[Texas Tax Code Section 151.009](#)

[Texas Administrative Code Title 34, Part 1, Chapter 3, Subchapter O, Rule §3.298](#)

[Texas Administrative Code Title 34, Part 1, Chapter 3, Subchapter O, Rule §3.310](#)

[Texas Administrative Code Title 34, Part 1, Chapter 3, Subchapter O, Rule §3.330](#)

[Texas Administrative Code on State and Local Sales and Use Taxes](#)