

## Student Extraclassroom Activity Fund Tax Chart Q & A

11-12-2011

**General:**

- 1. Student organizations and their activities, both buying and selling, are New York state taxable.**
- 2. If you have to pay sales tax on an item or event in the outside world, you have to pay sales tax as a student organization.**
- 3. The school district is the tax free entity. The student organization is the taxable entity. It is illegal, a violation of NYS tax law, to use the school district's tax free status (the districts NYS tax exemption number) to avoid the payment (or collection) of sales tax.**
- 4. You can read more on student organization taxable status on the SDIAA Message Board. You can post tax questions on the SDIAA Message Board. Website: [www.Superintendentofschools.com](http://www.Superintendentofschools.com) ,top of right column on the home page "Message Board," registration necessary.**

<u>TAXABLE ITEMS</u>	<u>NOT-TAXABLE ITEMS</u>
Vending machine sales Items selling for more than \$0.75 and not on the exempt food list.	Vending machine sales Items selling for less than \$0.75 and on the exempt food list.
Candy, soda, soft drinks, fruit juice less than 70% fruit juice	
Food prepared or eaten at the point of sale is taxable (like at a restaurant) <ul style="list-style-type: none"> <li>- Spaghetti dinners</li> <li>- Pancake breakfasts</li> <li>- Make a sub</li> <li>- Ice cream social</li> <li>- Hot pizza</li> <li>- Hot coffee, tea, chocolate</li> <li>- Chicken BBQ</li> <li>- Smoothies</li> <li>- Carmel/Candy coated snack foods</li> </ul>	Food in bulk (caned, packaged, frozen) not prepared or eaten at the point of sale is not taxable (like at a supermarket). <ul style="list-style-type: none"> <li>- Frozen pizza</li> <li>- Bulk popcorn [un-popped]</li> <li>- Canned, bottled [bulk], packaged food</li> <li>- Frozen foods</li> </ul>
Bake/Cookie sales where items are sold as singles (one cookie) NOTE 1: Home baked items may not be sold, only items from health inspected kitchens. NOTE 2: Bake sales may not be permitted, or not permitted at certain times, under the district's food wellness policy.	Bake/Cookie sales where items are wrapped and sold as take away (at least a doz. cookies) NOTE 1: Home baked items may not be sold, only items from health inspected kitchens. NOTE 2: Bake sales may not be permitted, or not permitted at certain times, under the district's food wellness policy.
Concession stands sales	
	<b>More</b>



<b><u>TAXABLE ITEMS</u></b>	<b><u>NOT-TAXABLE ITEMS</u></b>
Admissions to prom, dances [band or DJ], movie nights, dinner cruises, variety shows, magic shows, circus etc.	Admission to dramatic (play), musical arts performance, or choreographed performance to music (including color guard admissions)
Drama club party Sports banquets Class [Senior Class] banquets	Zoo
Sports camps run by the school district or extraclassroom activity organization Exhibition Powder Puff football game	Sports camps run by the school district or boosters [if 501.c.3] NOTE: Sports camps run by coaches on school property are personal businesses and are illegal.
	Entertainment Books, Coupon Books, Gold Cards, advertising in programs
Plants, trees shrubs Flower sales	
Bookstore sales [both extraclassroom or district run]	Newspapers, magazines
	Haircuts or hair styling
Yearbooks	Yearbook advertising
Specialty catalog sales – AVON, candles, candy, wrapping paper, etc.	
Sale of “gift baskets”	
Class rings [all jewelry] Graduation announcements Caps & gowns [that students keep]	Cap & gown rentals
	Gift cards
Walk-a-Thon, Run-a-Thon, Swim-a-Thon as a student organization fund raiser.	Walk-a-Thon, Run-a-Thon, Swim-a-Thon with all funds going to a 501.c.3 (funds to a recognized, registered charitable organization)
Student crafts of prepared food sold at a Craft Fair, Arts Festival.	Rental of space and tables to vendors at a Craft Fair, Arts Festival.
<b>RAFFLES</b> NYS Racing and Gaming Law: <a href="http://www.racing.state.ny.us/charitable/Raffle_Information.htm">www.racing.state.ny.us/charitable/Raffle_Information.htm</a> “Only persons eighteen years of age or older shall purchase raffle tickets, sell raffle tickets, or conduct or assist in the conduct of a raffle drawing.”	