

ITEMS PURCHASED FOR RESALE

The District's tax exemption status only applies to items that will be purchased and used or consumed by the School District. Sales tax must be collected for all items purchased for resale. The items would include inventory purchased for fundraisers, items purchased for sale to students or employees, except were expressly exempt.

The Florida Department of Revenue provides two options for collection of sales tax for resale items as follows:

1. Sales tax can be paid to the vendor at initial purchase of the items that will ultimately be available for resale, or
2. Sales tax can be assessed and collected on each item sold during the resale process.

Whenever feasible, the District recommends the use of option one.

Option one doesn't require the District or school organization to remit taxes to the Florida Department of Revenue. The District or school organizations must pay taxes on the invoice at the time of initial purchase of any resale items.

Option two will require the District or the school organization to register with the Florida Department of Revenue and remit the taxes collected.

Inventory reports must be maintained whenever items are purchased for resale. A sample Inventory Report can be found in the Appendix.