

## **State Agency Fund-raising**

July 27, 2017

This document provides guidance on the collection of state sales tax at agency fund-raising events. It explains when and how you should collect and remit the sales tax.

<b>Fund-raising Events – No Sales Tax Collection Required:</b>
<ul style="list-style-type: none"> <li>• <i>Donations.</i> If a fund-raiser involves accepting donations for goods rather than selling goods, you don't need to collect sales tax if the donation is voluntary. A donation is considered voluntary if: <ul style="list-style-type: none"> <li>○ You place a container with a donation sign by the goods that lets employees know that donations are accepted.</li> <li>○ The donation sign doesn't specify that a donation is required.</li> <li>○ The donation sign doesn't list a suggested donation amount.</li> </ul> </li> </ul>
<b>Fundraising Events – Sales Tax Collection Required:</b>
<ul style="list-style-type: none"> <li>• <i>Sales.</i> If a fund-raiser involves selling tangible personal property, such as T-shirts, sweatshirts, candy, baked goods (store bought or homemade), or any other sales the law requires to be taxed, you must get a temporary seller's permit and collect sales tax.</li> </ul>
<ul style="list-style-type: none"> <li>• <i>Auctions.</i> If the fund-raiser involves an auction, this generally involves the sale of taxable goods and services. When these items are auctioned, you must get a temporary seller's permit and collect sales tax on the auction price. This is true even if the items being auctioned were donated. If the item is a service that isn't taxable under Idaho law, don't collect sales tax. If you have any questions about services, please contact the Tax Commission.</li> </ul>

### Temporary seller's permit

If your fund-raising event requires you to collect sales tax, you must apply for a temporary seller's permit. You can get up to three temporary seller's permits a year. Each permit is good for multiple events in multiple locations over a period of 90 days, so one permit can cover events at numerous offices within the 90-day period.

### Applying for a temporary permit

You can get a temporary seller's permit online at [tax.idaho.gov/tsp2](http://tax.idaho.gov/tsp2). Below are instructions for completing each field and customizing the information for your application.

<b>Field</b>	<b>Agency Entry</b>
Your First Name	"Director"
Your Last Name	Full Name of Agency Director
DBA, business, or organization name	Agency Name – "Employee Committee"
Identification Number	Enter all 5s (555555555) and choose SSN on drop-down menu
Contact Email	Enter your contact Email
Contact Phone	Contact Phone

Mailing Address	Mailing Address
City	City
Town	Town
State	State
Zip	Zip
Any other Contact Information	Contact Name
Name of Event	<i>Examples:</i> Fund-raiser - Christmas Family/Veterans or Fund-raiser - Employee Christmas Party
Event Location	Location – if there are multiple locations, just enter “various”
Permit Type	Sales Tax Only
The product(s) being sold/rented at this event	Brief description of what will be sold or rented

You'll be able to review the information before you submit it. When you're ready to submit, press “create,” and then print your permit. You'll receive an email confirmation after you submit the application.

### **Remit the sales tax you collected**

The printed permit is the form that you'll use to submit the tax you collected. It provides information on what records you should keep, when to submit the return, and how to calculate the tax.

### **Questions?**

These guidelines are general. If you have questions or need more specific information on what's taxable, please call us at (208) 334-7660 in the Boise area or toll-free at (800) 972-7660.