**Fundraising and Sales Tax for County 4-H Clubs**

**(Template – update yellow highlighted areas**

**with your county and your current county surtax, if applies)**

To be compliant with the Florida Department of Revenue, the County 4-H Association will charge sales tax on required items. The following information is to give 4-H Leaders a picture of fundraising and sales tax in County 4-H.

**Sales Tax**

What is sales tax? Sales tax is collected on each sale, admission, storage or rental. Sales tax is added to the price of taxable goods and services. Florida’s general sales tax rate is 6.0%. However; many Florida counties have a discretionary sales surtax (county tax) that applies to transactions. County has a surtax of ----------.

**Certificate of Exemption**

Wait don’t we have a Certificate of Exemption? County 4-H Association does have a Certificate of Exemption. However; our Certificate of Exemption only applies to being tax exempt when making purchases. It does not; however, get us out of paying sales tax when selling certain items.

**Typically, Taxable Sales**

When do we have to charge sales tax? If an item is taxable, the County 4-H Association is required to charge sales tax when selling the item/good, etc. Typically, a taxable sale is on tangible property that can be weighed, measured, or touched. A few popular examples of taxable sales are:

* T-shirts, hats, general clothing
* Flowers, wreaths, potted ornamental plants
* Calendars, candles, decorations
* Pet toys, pet food and treats
* Ornamental seed/plants/flowers/trees
* Food and drink sold at fundraisers
* Food products furnished, prepared, or served for consumption
* Concessions with packaged hot/cold prepared or served foods, soft drinks, popcorn, sandwiches, hamburgers, etc.
* Cakes, pie, cookies, frozen treats (less than 1 pint)
* Silent Auctions
* Livestock or poultry sold by someone other than by the original owner or breeding purposes
* Rental/lease of buildings/ rooms/storage space (vendor space)
* Registration for an event, if food and accommodation portions are itemized
* Car washes, if wax or a similar protective coating is applied. Wax=Tax

**Taxable Items to Non-Taxable Items**

Can we make these taxable items non-taxable? Taxable items can become non-taxable items by becoming a donation. ***If no sale has occurred, no sales tax is due- Donation!*** There are three ways to ask for a donation: donations welcome, suggested donation with a specific price and recommended donation with a specific price. Do NOT use “required donation”. If a donation is required, it becomes taxable. When asking for donations, keep in mind that if someone asks for the item with no donation we must comply and give the item to the individual.

**Typically, Non-Taxable Sales**

What if we *don’t* want to ask for a donation? The following items are naturally non-taxable. The Osceola County 4-H Association does not need to collect tax on these items.

* Water-bottled, cup, etc. (unless carbonated or flavored)
* Frozen dairy or non-dairy larger than one pint-Cookie dough
* Beef/Meat sticks/jerky (updated 10/04/18)
* Ticket sales/drawings/door prizes when used for processed meet/food items or “suggested donation” (updated 10/04/18)
* General groceries-edible commodities
	+ Cereals
	+ Coffee
	+ Eggs
	+ Dairy
	+ 100% juices
	+ Peanut butter
	+ Fresh fruits
	+ Etc.
* Concessions using items from the groceries/edible commodities
* Registration/attendance fees when food and accommodation portions are NOT itemized. Items such as t-shirt, lunch, etc. are not taxable if included in registration. If additional t-shirts, etc. can be purchased then they become taxable.
* Car washes without wax/protective coating
* Plants, trees, seeds for human consumption
* Food for livestock
* Door prizes

**Fundraising Ideas That Don’t Require Charging Sales Tax**

This seems complicated. Any fundraising ideas that can help?

* Car wash with no wax
* Concessions of pre-packaged food with a suggested donation
* Selling water at a local event
* Organize an event with a registration fee (work with agent to put on Eventbrite)
* Dog treat/horse treat bake sale with a recommended donation
* Work with Farm Bureau to sell cookie dough, nuts, etc.
* Tractor Supply-Paper Clover Campaign
* Bulk nuts, coffee, or teas
* Frozen items larger than one pine
* Herbs, spices, and salts
* Donations! Donations! Donations!

How Does Fundraising Look with Sales Tax?

Collecting sales tax is possible, but it is another step to take with more responsibility. We also want to remember this prior to printing the event materials for pricing. We will need to include a clear purchase price noting “plus” sales tax on our order forms, flyers, displays, or any marketing materials.

If you have a fundraising idea that you think requires charging sales tax, please work with 4-H Agent to figure out what the next step is.

ALL fundraising needs to be approved by County 4-H Agent before fundraising begins, whether you are collecting sales tax or not.

***Important To Know:***

* + Event and activity monies deposited must follow UF Policy (within 24 hrs if over $1,000 and/or at least one time per week)
	+ Remember to advertise/market the “sales price” and “sales tax”
	+ **TAX DEPOSITS** - **Collected sales tax MUST be recorded/deposited in the month the sale takes place.  If this falls on the last day of the month, please contact me directly for instructions.**