

<b>FOOD AND BEVERAGE EXEMPTIONS</b>				
<b>Revenue Description</b>	<b>Tax Exempt?</b>	<b>Documentation Required</b>	<b>Additional Comments</b>	<b>Authority</b>
<b>Federal, State, Local Government</b>				
1. Federal government employees qualify for exemption if:				
a. Payment made directly by agency	Yes	Completed sales tax exemption certificate (Form 01-339 back) or government purchase voucher	The United States government and its entities are exempt from sales tax.	Tex. Tax Code §151.309; 34 Tex. Admin. Code §§3.287 and 3.322
b. Payment made by employee who is reimbursed by agency	No	Not Exempt	Unlike hotel tax, there is no sales tax exemption solely because an employee is traveling on behalf of an exempt entity. Sales tax is due on taxable purchases even if the employee is reimbursed for actual expenses or on a per diem basis (e.g., meals, personal phone calls). *An authorized agent of a United States governmental entity may claim exemption from payment of sales tax on purchases made on behalf of the governmental entity.	Tex. Tax Code §151.309; 34 Tex. Admin. Code §3.322
2. State government employees qualify for exemptions if:				
a. Payment made directly by agency	Yes	Completed sales tax exemption certificate (Form 01-339 back) or government purchase voucher	Texas state agencies are exempt from Texas sales tax.	Tex. Tax Code §151.309; 34 Tex. Admin. Code §§3.287 and 3.322
b. Payment made by employee who is reimbursed by agency	No	Not Exempt	Texas state government employees are not exempt from sales tax even when reimbursed or traveling on per diem. *An authorized agent of a Texas governmental entity may claim exemption from payment of sales tax on purchases made on behalf of the governmental entity.	Tex. Tax Code §151.309; 34 Tex. Admin. Code §3.322
3. Other state government employees qualify for exemption if:				
a. Payment made directly by agency	No	Not Exempt	Agencies from other states are not exempt from Texas sales tax.	
b. Payment made by employee who is reimbursed by agency	No	Not Exempt	Employees of other state government agencies are not exempt from Texas sales tax.	
4. Local government employees qualify for exemptions if:				
a. Payment made directly by agency	Yes	Completed sales tax exemption certificate (Form 01-339 back) or government purchase voucher	Texas local government agencies are exempt from Texas sales tax.	Tex. Tax Code §151.309; 34 Tex. Admin. Code §§3.287 and 3.322
b. Payment made by employee who is reimbursed by agency	No	Not Exempt	Employees of Texas local government agencies are not exempt from sales tax. *An authorized agent of a Texas local governmental entity is exempt on purchases made on behalf of the Texas local governmental entity.	Tex. Tax Code §151.309; 34 Tex. Admin. Code §3.322

5. Foreign Missions and Diplomats	Yes	Tax Exemption Card issued by the U.S. Department of State and completed sales tax exemption certificate (Form 01-339 back)	Foreign missions and diplomats that obtain a sales tax exemption from the Office of Foreign Missions, U.S. Department of State, are exempt from sales tax.	Tex. Tax Code §151.307; 22 U.S.C. §4301; Vienna Convention on Diplomatic Relations and Consular Relations ratified under Article VI of the US Constitution
6. Federal Credit Unions	Yes	Completed sales tax exemption certificate (Form 01-339 back) or credit union purchase voucher	Federal credit unions established under the Federal Credit Union Act are exempt from sales tax.	Tex. Tax Code §151.307; 12 U.S.C. §1768; 34 Tex. Admin. Code §3.322
<b>Other</b>				
7. Nonprofit 501(c)(3), (4), (8), (10), or (19) organizations	Yes	Completed sales tax exemption certificate (Form 01-339 back)	The nonprofit organizations must have a Comptroller's letter of sales tax exemption and can only claim exemption on purchases of taxable items that relate to the purpose of the organization.	Tex. Tax Code §151.310; 34 Tex. Admin. Code §§3.287 and 3.322
8. Religious and charitable organizations	Yes	Completed sales tax exemption certificate (Form 01-339 back)	Religious and charitable organizations must have a Comptroller's letter of sales tax exemption and can only claim exemption on purchases of taxable items that relate to the purpose of the organization.	Tex. Tax Code §151.310; 34 Tex. Admin. Code §§3.287 and 3.322
9. Public Schools (elementary and secondary)				
a. In-state	Yes	Completed sales tax exemption certificate (Form 01-339 back) or school district's purchase voucher	Texas public elementary and secondary schools are considered local governmental entities for sales tax purposes and can claim exemption on the purchase of any taxable item.	Tex. Tax Code §151.309; 34 Tex. Admin. Code §§3.287 and 3.322
b. Out-of-state	Yes	Completed sales tax exemption certificate (Form 01-339 back)	Out-of-state public elementary and secondary schools are considered educational organizations for sales tax purposes. A Comptroller's letter of sales tax exemption is required and exemption can only be claimed on the purchase of taxable items that relate to the purpose of the organization.	Tex. Tax Code §151.310; 34 Tex. Admin. Code §§3.287 and 3.322

10. Nonprofit Private Schools (elementary and secondary)				
a. In-state	Yes	Completed sales tax exemption certificate (Form 01-339 back)	In-state nonprofit private elementary and secondary schools are considered educational organizations for sales tax purposes. A Comptroller's letter of sales tax exemption is required and exemption can only be claimed on the purchase of taxable items that relate to the purpose of the organization.	Tex. Tax Code §151.310; 34 Tex. Admin. Code §§3.287 and 3.322
b. Out-of-state	Yes	Completed sales tax exemption certificate (Form 01-339 back)	Out-of-state nonprofit private elementary and secondary schools are considered educational organizations for sales tax purposes. A Comptroller's letter of sales tax exemption is required and exemption can only be claimed on the purchase of taxable items that relate to the purpose of the organization.	
11. Public Universities and Colleges				
a. In-state	Yes	Completed sales tax exemption certificate (Form 01-339 back) or institution's purchase voucher	Texas state public universities and colleges are considered state agencies for sales tax purposes and are exempt on the purchase of any taxable item.	Tex. Tax Code §151.309; 34 Tex. Admin. Code §§3.287 and 3.322
b. Out-of-state	Yes	Completed sales tax exemption certificate (Form 01-339 back)	Out-of-state public universities and colleges are considered educational organizations for sales tax purposes. A Comptroller's letter of sales tax exemption is required and exemption can only be claimed on the purchase of taxable items that relate to the purpose of the organization.	Tex. Tax Code §151.310; 34 Tex. Admin. Code §§3.287 and 3.322
12. Nonprofit Private Universities and Colleges				
a. In-state	Yes	Completed sales tax exemption certificate (Form 01-339 back)	Texas nonprofit private universities and colleges are considered educational organizations for sales tax purposes. A Comptroller's letter of sales tax exemption is required and exemption can only be claimed on the purchase of taxable items that relate to the purpose of the organization.	Tex. Tax Code §151.310; 34 Tex. Admin. Code §§3.287 and 3.322
b. Out-of-state	Yes	Completed sales tax exemption certificate (Form 01-339 back)	Out-of-state nonprofit private universities and colleges are considered educational organizations for sales tax purposes. A Comptroller's letter of sales tax exemption is required and exemption can only be claimed on the purchase of taxable items that relate to the purpose of the organization.	Tex. Tax Code §151.310; 34 Tex. Admin. Code §§3.287 and 3.322

**Texas Tax-Exempt Entity Search: Charitable, educational, religious, and nonprofit organizations that have been issued a letter of sales tax exemption are listed on the Comptroller's website at: [comptroller.texas.gov/taxinfo/exempt/exempt\\_search](http://comptroller.texas.gov/taxinfo/exempt/exempt_search)**