



Schools

Sales and Use Tax Information

Includes information for:

- Elementary and Secondary Schools
- Related Organizations

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IMPORTANT CHANGES SINCE LAST REVISION

Marketplace providers. Information about marketplace providers has been added to Part 4.

Increase in standards for nonprofit organization occasional sales exemption. The standards for which nonprofit organizations are engaged in a trade or business increased with sales made in the calendar year 2017. Additionally, the standard to determine whether entertainment is involved at an admission event increased in 2022. See Part 9.

Building materials sold to contractors for use in constructing certain facilities for certain exempt entities. An exemption for building materials sold to a construction contractor who, in fulfillment of a real property construction activity, transfers the building materials to certain exempt entities, if the building materials become part of a "facility" in Wisconsin, owned by the exempt entity. See Part 11.

See the [Sales Tax Rate Chart](#) for current sales tax rates in Wisconsin. Recent rate changes include:

- Racine County imposes 0.5% county tax, effective April 1, 2025.
- Manitowoc County imposes 0.5% county tax, effective January 1, 2025.
- Milwaukee County tax rate increased from 0.5% to 0.9%, effective January 1, 2024.
- City of Milwaukee imposes a 2% city tax, effective January 1, 2024.

Applicable Laws and Rules

This document provides statements or interpretations of the following laws and regulations enacted as of April 30, 2026: [ch. 77](#), Wis. Stats., and [ch. Tax 11](#) Wis. Adm. Code.

Laws enacted and in effect after this date, new administrative rules, and court decisions may change the interpretations in this document. Guidance issued prior to this date, that is contrary to the information in this document is superseded by this document, according to sec. 73.16(2)(a), Wis. Stats.

1. INTRODUCTION

This publication explains how Wisconsin sales and use taxes affect Wisconsin elementary and secondary schools, as well as school-related organizations.

Sales and purchases by schools that are subject to the 5% state sales or use tax may also be subject to 0.5% or 0.9% county tax, 2% city tax, and local exposition taxes. For additional information about these taxes, see:

- [Sales Tax Rate Chart](#). Lists the state, county, and city sales and use tax rates.
- [Publication 201](#), *Wisconsin Sales and Use Tax Information*
- [Publication 410](#), *Local Exposition Taxes*. Applies to sales of certain lodging, food and beverages, and car rentals in municipalities wholly or partially within Milwaukee County.

2. WHAT IS A SCHOOL?

- Schools, as used in this publication, means Wisconsin elementary schools and secondary schools, except where noted.
- Elementary school means a school which provides kindergarten and/or any of the first eight grades of a 12-grade system.
- Secondary school means a school providing any of the grades 9 through 12 of a 12-grade system. It includes junior and senior trade schools described in [sec. 119.30](#), Wis. Stats. A secondary school may also be referred to as a high school.



- School district means the territorial unit for school administration. School districts are classified as common, union high, unified and 1st class city school districts. A joint school district is one the territory of which is not wholly in one municipality.

A school may be a public school, or it may be a parochial or private school, but both of the following must apply:

- (1) It must be an educational institution having a regular curriculum offering courses in the manner required under Wisconsin law, **and**
- (2) It must not be operated for profit.

3. WHAT IS NOT A SCHOOL?

Schools That Do Not Offer Systematic Instruction

Elementary or secondary schools do not include the following schools which do not offer systematic instruction of the scope and intensity common and comparable to elementary and secondary schools. For example:

- Art schools
- Charm schools
- Dance schools
- Driving schools
- Flying schools
- Modeling schools
- Music schools

Organizations not under control and supervision of school officials. Elementary or secondary schools also do not include school-related organizations (such as parent-teacher associations or booster clubs) which are not subject to the control and supervision of school officials. Such organizations are not entitled to the same sales and use tax exemptions as elementary and secondary schools. See Part 7. for the tax treatment of school-related organizations.

For additional information see:

- Tax release titled "[Sales and Purchases by School Districts](#)," *Wisconsin Tax Bulletin* 79 (October 1992); and
- Section [Tax 11.03](#), Wis. Adm. Code, "Schools and related organizations."

4. WHO IS SUBJECT TO SALES TAX?

Persons who make retail sales of taxable products or services in Wisconsin are required to collect and remit Wisconsin sales tax on these sales, unless an exemption applies. Schools, department stores, and restaurants are examples of persons who make retail sales of taxable products and services. The law gives the seller the right to collect the tax from the consumer or user (that is, the purchaser).

Additionally, a marketplace provider is required to collect and remit Wisconsin sales and use tax on all sales of taxable products and services that the marketplace provider facilitates on behalf of a marketplace seller, unless a waiver has been granted by the department. A marketplace provider is required to notify the marketplace seller that it is collecting and remitting tax on all taxable sales in Wisconsin. A marketplace provider is any person who facilitates a retail sale on behalf of another seller by listing or advertising for sale, in any manner, the seller's taxable products or services, and who directly or indirectly processes the payment for the purchaser regardless of whether the person receives compensation or other consideration in exchange for their services. A marketplace provider includes a person or entity that facilitates a sale on behalf of a seller at a storefront or other physical location.

Note: When a nonprofit organization, including a school, engages the services of a marketplace provider, the sales are made by the marketplace provider and are taxable. The nonprofit occasional sales exemption that may apply to sales by a nonprofit organization, does not apply to the marketplace provider's sales.

See the [Marketplace Provider](#) common questions and sec. [Tax 11.555](#), Wis. Adm. Code for additional information.

5. WHAT IS TAXABLE?

Although many sales by a school are exempt from tax as described in this publication, the general sales and use tax treatment provides the sale, license, lease, and rental of the following property, items, and goods are subject to Wisconsin sales tax:

- Tangible personal property
- Coins or stamps of the United States that are sold, licensed, leased, rented, or traded as collector's items above their face value
- Leased tangible personal property that is affixed to real property, if the lessor has the right to remove the leased property upon breach or termination of the lease agreement, unless the lessor of the leased property is also the lessor of the real property to which the leased property is affixed
- Specified digital goods, additional digital goods, and digital codes. See [Publication 240](#), *Digital Goods* for more information.

In addition, certain services are subject to Wisconsin sales and use tax. For a list of taxable services, see [What is Taxable](#) on the department's website.

Note: A school is not subject to use tax.

6. SELLER'S PERMIT

If a school engages in the business of selling taxable products or services at retail in Wisconsin, it must [register](#) for a Wisconsin seller's permit. A school does not need a seller's permit if all its sales are exempt occasional sales, as explained in Part 9.

A seller's permit shows that a person or organization (such as a school) is properly registered with the Department of Revenue to make taxable sales.

7. SALES BY SCHOOLS

A. Sales of Tangible Personal Property, Items, Property, and Goods Are Exempt

All sales and rentals of tangible personal property, items, property, and goods listed in Part 5 by schools are exempt from Wisconsin sales and use tax. This exemption applies regardless of whether the school's sales qualify as exempt occasional sales described in Part 9.

Examples of exempt sales and rentals include:

- Books
- Bulletins
- Candy
- Calendars
- Clothing
- Computers
- Gift stand and gift shop sales
- Hats
- Laptops or tablets
- Locks
- Motor vehicles
- Musical instruments
- Paper, pencils, notebooks, folders, and other school supplies
- Photocopies
- Prepared foods
- School lunches
- Soft drinks
- Sports equipment
- Uniforms
- Used school equipment

B. Sales of Taxable Services

A school's sales of certain services are taxable. Only select services are subject to the sales and use tax. The school must keep records of its receipts from taxable services. Examples of taxable services sold by a school include:

- Parking
- Charges for the use of auditoriums, gymnasiums, swimming pools, tennis courts, ball diamonds, and other multipurpose facilities, including any charges for lights, heat, and cleaning, when used by persons for their own amusement, athletic, entertainment, or recreation purposes.
- Admissions sold to the public that allows them to participate in the following activities at the school, except admissions to school activities:
 - Baseball
 - Basketball
 - Dance
 - Golfing
 - Racquetball
 - Softball
 - Swimming
 - Tennis
 - Volleyball

Note: When the facility is for use by the general public, it is not considered a school activity. Such admission fees are taxable.

C. Nontaxable Services and Charges

The school should keep records showing the amounts received from nontaxable services and charges and a description of such services and charges. Examples of nontaxable school sales include:

- Sales of tickets or admissions to school activities if the conditions noted below* are met. For example, admissions to the following school activities are exempt if all these conditions are met.
 - Athletic events (e.g., high school football games)
 - Art and science fairs
 - School concerts, dances, films, or other exhibits, lectures, and school plays
- Internet access charges
- Library and book fines
- Tuition and course instruction fees
- Dormitory or housing charges, and furnishing rooms and lodging to students and nonstudents
- Charges for student award banquets or ceremonies
- Admission charges by a Wisconsin public school or other nonprofit organization to participate in any sports activity in which more than 50 percent of the participants are 19 years old or younger
- Charges for the use of auditoriums, gymnasiums, swimming pools, tennis courts, ball diamonds, and other multipurpose facilities when any one of the following applies:
 - **The person or organization uses the facility for a nonrecreational type of event** (e.g., religious meetings, graduation ceremonies, political meetings, trade shows, antique shows).

*** Admissions to school activities are not taxable if all of the following apply:**

1. The school sponsors the event.
2. The school has control over purchases and expenditures.
3. Net proceeds are used for educational, religious, or charitable purposes.

If all these conditions are not met, the admissions are taxable.

Records to Keep: The amount received for this purpose and the name and address of the person or organization who paid the school for use of the facility.

- **The organization paying the school for use of the facility is exempt from tax**, including nonprofit organizations such as churches, other Wisconsin elementary or secondary schools, Wisconsin cities, villages, townships, Wisconsin and federal government agencies, and any other nonprofit organization that holds a Wisconsin Certificate of Exempt Status (CES) number.

Records to Keep: See Part 8.

Caution: Sales to a *non-Wisconsin* state or municipal governmental unit or public school are subject to tax.

- **The facility will be used for recreation, amusement, or entertainment, but the person paying the school sells admissions to the public.**

Example: A person pays \$100 to the school to use the gym. The person then sells admissions to the public for a basketball tournament that the person is sponsoring. The \$100 sale is exempt from sales tax because it is considered a sale for resale.

Records to Keep: The purchaser must provide the school with a fully completed sales and use tax exemption certificate claiming resale.

For additional information about rentals of multipurpose facilities, see [Fact Sheet 2107](#), *Rentals of Multipurpose Facilities*.

8. RECORDS TO KEEP

If exemptions are claimed by a purchaser, the school must keep the completed exemption certificates, purchase orders, and invoices to prove the sales were exempt. For example:

- **Purchase order.** If the purchasing organization is a federal governmental unit or a Wisconsin state or municipal governmental unit or other Wisconsin public school, the school may keep a copy of the purchase order from the organization, and a record of the amount received to document the sale is exempt.
- **Sales and use tax exemption certificate.** The purchasing organization may claim an exemption by providing the school with a fully completed exemption certificate. The school keeps the exemption certificate for its records.
- **Certificate of Exempt Status (CES number).** If the purchasing organization has a CES number, the school should record the CES number on the invoice or bill the seller retains. **Note:** If a nonprofit organization meets the requirements of section 501(c)(3) of the Internal Revenue Code and is not located in Wisconsin, the organization is not required to obtain a Wisconsin CES number. The organization should provide the school with a fully completed [exemption certificate](#) (e.g., Form S-211) claiming the exemption.

9. EXEMPT OCCASIONAL SALES BY SCHOOLS

A school's sales of taxable services may be exempt if its sales qualify as exempt occasional sales. A school does not need a seller's permit if all its sales qualify for exemption.

Reminder - Regardless of whether the school's sales qualify as exempt occasional sales:

- A school's sales of tangible personal property, items, and property described in Part 5 are exempt from sales tax
- A school's sales of admissions to school activities where the entire net proceeds are used for educational, religious, or charitable purposes are exempt from sales tax

For the school's sales to qualify as exempt occasional sales, **all three standards** must apply.

Standard 1. The school is not engaged in a trade or business.

A school is engaged in a trade or business if its taxable sales of services (not including sales of tickets to school activities), or its events, occur on more than 75 days during the year. However, if the school's taxable receipts from sales of services do not exceed \$50,000 for the year, it is not considered to be engaged in a trade or business, even if its sales and events occur on more than 75 days.

Note: A school's exempt sales of tangible personal property items, property, and goods, listed in Part 7.A and C., and admissions to school activities are not counted toward the \$50,000 standard.

Standard 2. Entertainment is not involved at an event for which charges constitute admissions.

For this purpose, "entertainment" means entertainment provided at an "admission" event by all persons or groups (such as bands or singers) who are paid in the aggregate of \$50,000 or more per event by all persons for performing, as prize money or for reimbursement of expenses.

"Admissions" are deemed to be involved if access to the event involving entertainment is generally restricted to only those who pay a required fee, make a required "donation," or who must make a purchase of some kind (including a meal, raffle ticket, etc.).

Note: Days and receipts from events involving admissions to entertainment events for which a seller's permit was obtained are included with other sales in determining the 75-day test and the \$50,000 taxable receipts test.

Important: A school that would otherwise qualify for the occasional sale exemption, except for the involvement of entertainment (e.g., the school meets Standard 1 and does not meet Standard 2), may do the following:

- Obtain a seller's permit from the Department of Revenue for the day or days of the event involving entertainment,
- Pay the sales tax on sales of taxable services on these days, and
- Request inactivation of the seller's permit after the event by contacting the Department of Revenue. See Part 4 of [Publication 206, Sales Tax Exemptions for Nonprofit Organizations](#).

If the above three steps have been taken, the school may still make exempt occasional sales of services on days not covered by the permit.

Standard 3: The school does not have and is not required to have a seller's permit.

A school that holds an active seller's permit for an event and does not request inactivation of the seller's permit after the event does not qualify for the occasional sale exemption on sales of taxable services while holding a seller's permit, regardless of the number of days and dollar amount of its sales. The school's sales of tangible personal property, items, property, and goods listed in Part 7.A and C are still exempt from tax.

Additional information about the occasional sale exemption for nonprofit organizations, such as schools, is available in the following:

- [Publication 206, Sales Tax Exemptions for Nonprofit Organizations](#)
- [Fact Sheet 2106, Occasional Sale Exemption for Nonprofit Organizations](#)

10. PURCHASES BY SCHOOLS

A. Purchases Are Exempt

All purchases by Wisconsin public and private and parochial schools described in Part 2, and Wisconsin school districts are exempt from Wisconsin sales and use tax.

B. Furnishing Proof of Exemption to Seller

(1) Public Schools

Wisconsin Public Schools - A public school (an elementary or high school controlled by a local Wisconsin governmental authority) should furnish the seller a copy of the school's purchase order.

Non-Wisconsin Public Schools - A non-Wisconsin public school's purchases are not exempt from Wisconsin sales or use taxes.

(2) Private or Parochial Schools

Wisconsin Private or Parochial Schools - A private or parochial school that has received a 501(c)(3) determination letter from the IRS should give its Certificate of Exempt Status (CES) number to the seller. The seller should record the CES number on its copy of the invoice or bill of sale as part of his or her records to prove that the sale to the school is exempt from sales and use tax.

A Wisconsin private or parochial school may apply for a Certificate of Exempt Status number by sending a completed *Application for a Certificate of Exempt Status* ([Form S-103](#)) to the Department of Revenue. If the application is approved, a CES number will be issued to the school.

Non-Wisconsin Private or Parochial Schools - Purchases by a non-Wisconsin private or parochial school are exempt from Wisconsin sales and use taxes if the school has a 501(c)(3) determination letter from the IRS. A non-Wisconsin qualifying school is not required to obtain a CES number in order to make exempt purchases. The school should provide the vendor with a fully completed [exemption certificate](#) (e.g., Form S-211) claiming the exemption for organizations meeting the requirements of section 501(c)(3) of the Internal Revenue Code.

(3) Wisconsin School Districts

Purchases by Wisconsin school districts are exempt from Wisconsin sales and use tax. An exemption certificate or a purchase order shall be acceptable evidence of a sale's exempt status.

C. Purchases of Meals and Lodging

Restaurants, motels, and others sell meals and lodging to schools, school employees, or students under various situations. This section only relates to sales to exempt schools (i.e., private or parochial schools and Wisconsin public schools).

Note: For purposes of this publication, meal refers to prepared food, which is taxable. Also note that sales of candy, soft drinks, and dietary supplements are taxable.

In order for sales of meals or lodging to a school to be exempt from Wisconsin sales and use tax, the following two conditions must occur:

- (1) The seller (such as a motel or restaurant) issues the billing or invoice for the meal or lodging in the name of the school.

Note: The billing or invoice may be made out in both the name of the school and the employee, as long as the school is one of the parties listed as the purchaser.

(2) The seller (such as a motel or restaurant) receives one of the following from the school:

- A purchase order or similar written document identifying the school as the purchaser, such as a letter from the school indicating that the employee or student is traveling on school business and the school will provide funds to the employee to pay any expenses;
- A properly completed [exemption certificate](#) (e.g., Form S-211); or
- The school's CES number which the seller records on its copy of the invoice or bill that it retains as part of its records.

If both above conditions are met, the purchases by the school are exempt from Wisconsin sales and use tax, regardless of whether the school or its employee pays the seller for the purchase of the meal or lodging.

Note: The seller must keep a copy of the documents mentioned in (1) and (2), above, to substantiate that the sale was exempt from Wisconsin sales and use tax.

Example 1: A school employee, when purchasing a meal, gives a letter to the restaurant from the school indicating that the employee is on school business and the school authorizes the employee to purchase meals relating to school business. The bill is made in the name of the school. The employee pays the bill with his or her own funds and is subsequently reimbursed by the school. This is an exempt sale to the school.

Example 2: A student traveling on school business purchases a meal and lodging. The seller's billing is made in the name of the school, and the school directly pays the seller for the meal and lodging. This sale of the meal and lodging is exempt from sales tax because the sale is made to the school, rather than to the student.

Example 3: An employee of a school purchases lodging at a motel. The employee presents the motel with a letter stating that the employee is on school business and the school authorizes the employee to purchase lodging relating to school business. The billing is made in both the employee's name and the name of the school. The employee pays the bill with his or her own funds. The employee is subsequently reimbursed by the employer (school) for the lodging. This sale is exempt from sales tax because the sale is made to the school, rather than to the employee.

Example 4: An employee of a school purchases lodging at a motel. The billing is made in the employee's name, and the employee pays the bill with his or her own funds. The employee is subsequently reimbursed by the employer (school) for the lodging. This sale is taxable because it is a sale to the employee, rather than to the school. (**Note:** The two conditions listed above were not met.)

11. CONSTRUCTION OF A SCHOOL

A. Real Property Improvements

The sale or purchase of a real property improvement is not subject to sales or use tax. Whether a contractor must pay sales or use tax on materials used in a real property improvement for a school depends on whether an exemption applies.

(1) Exemption for Building Materials for Certain Facilities Owned by Certain Entities

A sales and use tax exemption applies to the sale of building materials sold to a construction contractor who, in fulfillment of a real property construction activity, transfers the building materials to exempt entities described below, if the building materials become part of a facility in Wisconsin, owned by the exempt entity.

For the exemption to apply, the following criteria must be met:

- The construction is for a **qualifying entity under sec. 77.54(9m), Wis. Stats.**;

A qualifying entity includes any public school district within Wisconsin. The exemption **does not** apply to any facilities constructed for a non-Wisconsin public school district, even if it holds a Wisconsin CES number.

- The property becomes **part of a facility** in Wisconsin that is owned by the qualifying exempt entity; and Facility means any building, shelter, parking lot, parking garage, athletic field, athletic park, storm sewer, water supply system, or sewerage and waste water treatment facility.

Facility **does not** include a highway, street, road, or anything not specifically listed above.

- The property must be **transferred to** the qualifying exempt entity.

For additional information, please refer to the following:

- Article titled "[Exemption for Building Materials That Become Part of a Facility Owned by a Local Government or Qualifying Exempt Entity.](#)"
- [Publication 207](#), *Sales and Use Tax Information for Contractors*, Part 3.H.

(2) Other Real Property Improvements

If the criteria in (1) above are not met, the contractor that makes the real property improvement must pay sales or use tax on its purchases of the materials used in making the real property improvement.

Even though a contractor is constructing, altering, repairing, or improving real property for a school, the sale of building materials to the contractor is taxable. The contractor is the consumer of the building materials used in constructing, altering, repairing, or improving the real property, and there is no provision in the law that allows the school's exempt status to flow through to the contractor or other third party.

Even if the contractor directly sells the building materials to the exempt entity and later installs the materials in the improvement or construction of real property for the exempt entity, the contractor is the consumer of such materials and is liable for Wisconsin sales or use tax on its purchase of such materials. The contractor may not claim the resale exemption on materials that it uses in the improvement or construction of real property. This tax treatment applies, regardless of whether the contractor sells the materials and the installation labor under the same or separate contracts.

A school's purchase of materials directly from a vendor is exempt from tax. If the school hires a contractor to install the materials as a real property improvement, the contractor's charge for installing the materials is not taxable.

Caution: If the installing contractor is a former owner of the materials used in making the real property improvement, the contractor is the consumer of the materials and is liable for Wisconsin sales or use tax on its purchase of such materials.

For additional information, please refer to the following:

- Tax release titled "[Purchases of Building Materials by Exempt Entities for Use by Contractor in Real Property Construction](#)," which was published in the *Wisconsin Tax Bulletin* 115 (October 1999)
- [Publication 207](#), *Sales and Use Tax Information for Contractors*, Part 4.A.
- [Section Tax 11.04](#), Wis. Adm. Code, "Constructing buildings for exempt entities."

B. Tangible Personal Property

Certain items retain their character as tangible personal property after installation. The contractor may purchase the materials that it physically transfers to the school in its sale of such tangible personal property without tax by providing its supplier with an [exemption certificate](#) (e.g., Form S-211) claiming resale. The sale of the property to the school is exempt from sales and use tax.

The following items are tangible personal property when installed in schools, regardless of the extent to which they are affixed to the real property:

- Advertising signs
- Auditorium seating
- Basketball backboards and rims
- Cabinets, except in bathrooms and janitor closets
- Chalk boards
- Classroom tables, desks, and chairs
- Coat racks
- Coolers, except where at least one wall is wall of the building
- Desk storage units
- Display cases
- Drapery tracks
- Electronic boards
- Flag poles, except their concrete foundations
- Food service equipment
- Gym equipment
- Home economics equipment
- Industrial arts equipment
- Intercoms and sound paging systems
- Laboratory cabinets, tables, sinks
- Library equipment
- Lockers
- Projection screens
- Partitions (movable or portable) that are not physically attached to the floor or ceiling
- Public address systems
- Shade hardware
- Stage equipment
- Storage shelving
- Tack boards
- Telephone and other communications equipment

- Trophy cases
- Vault doors

For a more detailed listing of real vs. tangible personal property, refer to the chart in Appendix A of Publication 207, *Sales and Use Tax Information for Contractors*. **Note:** For purposes of the chart, a school is considered a commercial building.

12. TAX TREATMENT OF SCHOOL-RELATED ORGANIZATIONS AND OTHERS

A. School-Related Organizations

The sales and use tax treatment of school-related organizations, such as parent-teacher associations and booster clubs, depends upon whether the organization is subject to the control and supervision of the school and whether the school or the school-related organization has control over the use of the organization's funds.

A school may require the organization to retain its funds in the school's accounting system and may have some restrictions about how the organization's funds are used, but if the school cannot withhold the organization's funds, the organization makes the ultimate decisions as to how the funds are used, and the reserve balances do not become the property of the school (that is, balances are carried forward from year to year for the organization's use), the organization is treated as a separate organization from the school.

(1) School has control over the school-related organization's funds

If the school has control over the school-related organization's funds, the school-related organization is not treated as a separate organization from the school.

Example: Booster Club sells concessions at high school football games. The money raised is for new athletic equipment for the school. The receipts are put into a school checking account. The members of Booster Club vote on recommendations for the funds. The school usually spends the money on Booster Club's recommendations, but it is the school's decision what the funds will be used for. Booster Club is not treated as a separate organization from the school.

Purchases - If the school has control over the school-related organization's funds, the purchases are considered to be made by the school and qualify for exemption.

Sales - If the school has control over the school-related organization's funds, the school is considered to be making the sales. The tax treatment of sales by schools is provided in Parts 7 and 9. Sales made by the school-related organization are counted as the school's sales when determining whether the occasional sales exemption in Part 9 applies. If the school has or is required to have a seller's permit, the school must include the school-related organization's taxable receipts when filing its Wisconsin *Sales and Use Tax Return*.

(2) School does not have control over the school-related organization's funds

If the school does not have control over the school-related organization's funds, the school-related organization is treated as a separate organization from the school.

Example: A booster club sells concessions at high school football games. The money raised is for new athletic equipment for the school. The receipts are put into a school checking account. The members of the booster club vote on recommendations for the funds. The school has a restriction that the booster club funds must be used for equipment for existing athletic programs and cannot be used for equipment to create a new athletic program. It is the booster club's decision what equipment will be purchased. The school may not withhold the booster club's funds, and any balance in the booster club's account will be carried forward to

the next year for the booster club's use. The booster club is treated as a separate organization from the school.

Purchases - If the school does not have control over the school-related organization's funds, the school-related organization's purchases are not exempt as purchases by the school. If the organization has a 501(c)(3) determination letter from the IRS, it may apply for a Certificate of Exempt Status (CES) by sending a completed *Application for a Certificate of Exempt Status* ([Form S-103](#)) to the Department of Revenue. If the application is approved, a CES number will be issued to the school-related organization.

Sales - If the school does not have control over the school-related organization's funds, the school-related organization, rather than the school, is making the sales. The school-related organization's sales of tangible personal property, and items, property, and goods listed in Part 5, and taxable services are taxable, unless its sales qualify for the occasional sales exemption.

Sales made by the school-related organization are not counted as the school's sales when determining whether the occasional sales exemption in Part 9 applies. The school's sales are also not counted as the school-related organization's sales when determining whether the occasional sales exemption in Part 6 applies.

If the school holds or is required to hold a seller's permit, the school-related organization may still qualify for the occasional sale exemption. The school may not report the taxable receipts of the school-related organization on its sales and use tax return (i.e., the school and the school-related organization must each file their own sales and use tax return if they each have a seller's permit).

See [Publication 206](#), *Sales Tax Exemptions for Nonprofit Organizations*, for additional information regarding the sales tax status of fundraising events conducted by nonprofit organizations.

B. Others, Such as Retailers Selling Through Schools

Sales and rentals of class rings, photographs, books, and caps and gowns by retailers where the school collects the money for the retailer are subject to sales tax, whether or not the school receives a commission for the collection. The retailer, such as a photographer, is subject to the tax on these sales.

Example 1: A photographer takes pictures of each student. Parents may purchase a package of photographs for \$20. The school collects all the money from parents. If a parent chooses to write a check, the parent writes the check to the school. The school keeps a 20% commission from the sales and gives the photographer 80%. The total amount of \$20 is subject to tax, since it is the photographer, rather than the school, that is selling the photograph packages.

The photographer is responsible for collecting and remitting sales tax on the entire sales price charged to the purchaser even if the school collects and forwards the money to the photographer. The photographer is deemed the retailer for sales and use tax purposes.

Example 2: A school hosts a book fair with books provided by a book seller. The customer has the option to purchase the books online or at the book fair. The school collects the sales price of the books plus the sales tax and forwards the money to the book seller for books purchased at the book fair.

The book seller is responsible for remitting the tax on the entire sales price charged to purchasers for online and book fair sales. The book seller is deemed the retailer for sales and use tax purposes.

Note: Purchases by the school, made with school funds, for school use are exempt from sales tax. The school must provide proper documentation to claim the exemption.

13. KEEPING AWARE OF NEW SALES AND USE TAX DEVELOPMENTS

If you are required to file sales and use tax returns, you should be aware of changes in the tax laws, new interpretations, and court cases which may affect how you file returns and compute the tax. Check the [department's website](#) regularly for tax news and information.

The Department of Revenue also has several [electronic mailing lists](#) available to the public. The goal is to provide communication from the department to subscribers on information and news specific to the respective list they have signed up for.

14. DO YOU HAVE QUESTIONS OR NEED ASSISTANCE?

If you are unable to find an answer to your question about sales and use taxes, email, write, or call the department.

Visit our website . . . revenue.wi.gov

Email . . . DORSalesandUse@wisconsin.gov

Write . . . Wisconsin Department of Revenue
P.O. Box 8949
Madison, WI 53708-8949

Telephone . . . (608) 266-2776

Fax . . . (608) 267-1030

You may also contact any of the Department of Revenue offices. Please see the department's website for a [listing of offices](#) and their current hours.