

New York State Sales Tax

Even though the Newburgh School District is classed as an exempt organization, it may be subject to some aspects of the state sales tax law. This exemption does not exclude retail sales of tangible personal property by any shop or store operated by the school or school related activity from tax liability. Basically, the school as a consumer is exempt but as a vendor (when such entity sells services or property of a kind ordinarily sold by private citizens) is obliged to collect the sales tax at the rate established by New York State.

Textbooks (except for exemption explained below) and all other books, supplies and materials sold from the school store are subject to tax. In addition, sales of all items purchased by children of a kind ordinarily sold by private persons are taxable regardless of whether they originate in the school store or not. This concept applies to industrial arts, home economics, workbooks and other similar supplies often sold within individual classrooms.

The following are not taxable sales:

1. Newspapers and such periodicals as Junior Scholastic and Weekly Reader.
2. Admission to games, athletic events and other activities where the proceeds inure exclusively to the benefit of an elementary or secondary school. However, if the benefits inure to a class or club or society a tax might be required.
3. Textbooks are exempt under certain conditions. The Sales Tax Bureau has stated that textbooks purchased directly from the publisher sold immediately to the student (wherein the student is restricted in his/her purchase to a particular book) are not subject to the sales tax because such books are not ordinarily sold by private persons.

There is on file in each school office, the procedure for handling sales tax reporting to the Board of Education Office.