

(Revised 05/00)

## Certificate for Exempt Qualifying Purchases of Meals or Lodging by an Exempt Organization or Qualifying Governmental Agency

**General Purpose:** Exempt organizations and qualifying governmental agencies must use this certificate to establish that their purchases of meals or lodging are exempt from sales and use taxes. This certificate may be used only if these three conditions are met:

1. The retailer directly invoices and charges the exempt organization or qualifying governmental agency for the meals or lodging; and
2. The exempt organization or qualifying governmental agency directly pays the retailer with a check drawn on its own account or with a credit card issued in its own name; and
3. The exempt organization or qualifying governmental agency is not reimbursed, in whole or in part, by donation or otherwise, for its payment of the meals or lodging by those consuming the meals or lodging.

**Statutory Authority:** Conn. Gen. Stat. §12-412(1)(A), (8) and (94).

**Credit Card Purchases:** If a credit card is used to pay the retailer of meals or lodging, the card must be issued in the name of the exempt organization or qualifying governmental agency. The credit card must be used exclusively to make purchases for the use of the exempt organization or qualifying governmental agency (not for the convenience of its officers, employees or members). The credit card charges must be paid by a check drawn on the organization's or agency's own checking account.

**Nonqualifying Purchases:** This certificate may not be used (and tax must be paid) for the purchase of meals or lodging not meeting all three conditions above. **Nonqualifying purchases** include fund raisers where those who attend are charged or are required to make any payment and seminars or conferences where meals or lodging are provided at no extra charge to those paying the conference or seminar registration fee.

However, a qualifying exempt organization may purchase meals tax exempt using **CERT-119** or **CERT-134**, and does not have to get prior approval from the Department of Revenue Services (DRS), when it will resell the meals at one of five fund-raising or social events per year that is exempt from tax under Conn. Gen. Stat. §12-412(94). See **Special Notice 98(11), Exemption From Sales and Use Taxes of Sales by Nonprofit Organizations at Fund-raising or Social Events.**

**Purchases Not Requiring Preapproval:** The federal government recently implemented the "GSA SmartPay" program, which uses four categories of credit cards: Fleet, Purchase, Travel, and Integrated cards. Federal employees may purchase meals and lodging tax exempt by using **certain** GSA SmartPay cards when the purchases are billed to and paid by the federal government. U.S. government agencies making tax-exempt purchases of meals and lodging using GSA SmartPay cards are not required to get preapproval for these purchases from DRS and are not required to provide the retailer with **CERT-112**. See **Policy Statement 2000(1.1), Retailer's Acceptance of U.S. Government "GSA SmartPay" Credit Card for Exempt Purchases.**

**Instructions for the Purchaser:** An officer of an exempt organization or qualifying governmental agency must complete and sign this certificate and submit it to DRS at least three weeks before an event to request the tax-exempt purchase of meals or lodging at a specific event. The organization should include a copy of the flyer, announcement or other promotional literature about the event with **CERT-112**. If the purchaser is an exempt organization, it must either attach a copy of its I.R.C. §501(c)(3) or (13) determination letter issued by the U.S. Treasury Department or, if it was issued an exemption permit by DRS, enter its exemption permit number on **CERT-112**. If the purchaser is a qualifying governmental agency, no attachment is required. If DRS concludes that the applicant is making a qualifying exempt purchase, **CERT-112**, with DRS official approval noted,

will be returned to the exempt organization or qualifying governmental agency. The exempt organization or qualifying governmental agency must then provide the **CERT-112** to the retailer of meals or lodging. Keep a copy of this certificate, the documents attached, and records that substantiate the information on this certificate for at least six years from the date it is issued.

**Events that Qualify for Refund Only:** If the exempt organization or qualifying governmental agency will be paying (and will not be reimbursed, in whole or in part) for the meals or lodging of some of the attendees, but will be reimbursed in whole or in part for the meals or lodging of others, a preapproved exemption will **not** be issued. The exempt organization or qualifying governmental agency must pay tax on all the meals or lodging at the time of the purchase. However, DRS will refund the tax on those meals or lodging that were paid for by the exempt organization or qualifying governmental agency for which it was not reimbursed, in whole or in part. The exempt organization or qualifying governmental agency must file, and DRS must approve, **CERT-122, Certificate of Refund of Sales Tax Paid on Purchases of Meals or Lodging by an Exempt Organization or Qualifying Governmental Agency.** The exempt organization or qualifying governmental agency is not eligible for refund of the tax paid on meals or lodging for which it received full or partial reimbursement. See **Policy Statement 96(7), Purchases of Meals or Lodging by Exempt Organizations or Qualifying Governmental Agencies,** for additional information.

**Example 1:** B, an exempt organization, sponsors a dinner at a restaurant to honor one of its members. The restaurant charges B \$50 per meal and B sells tickets for \$50 per person. The honoree and members of the immediate family attend as guests of the exempt organization. B must pay sales tax on all meals purchased. It may, however, complete and file **CERT-122** to claim a refund of the taxes paid only on meals consumed by the honoree and members of the immediate family.

**Example 2:** C, an exempt organization, sponsors a retirement dinner at a restaurant to honor one of its employees. The restaurant charges C \$60 per meal. C sells tickets for \$50 per person and pays the \$10 difference to the restaurant from its own funds. C must pay sales tax on the full price of all meals purchased. Because the organization received partial reimbursement for all of the meals, C is not eligible for a refund of any of the tax paid.

**Instructions for Retailer of Meals or Lodging:** Acceptance of this certificate, when properly completed and with DRS official approval noted, relieves the retailer from the burden of proving that the sale of meals or lodging was not subject to sales and use taxes. This certificate is valid only if taken in good faith from an exempt organization or qualifying governmental agency.

**Do not** accept this certificate unless you directly invoice and charge the exempt organization or qualifying governmental agency for the meals or lodging. **Do not** accept the certificate unless you are directly paid by the exempt organization or qualifying governmental agency with a check drawn on the exempt organization's or qualifying governmental agency's own checking account or with a credit card issued in the organization's or agency's name (not in the name of one of its members, employees or officers). Cash payments do not satisfy this condition, regardless of the cost of the meals or lodging.

Keep this certificate, the documents attached, and bills or invoices to the purchaser for at least six years from the date that the meals or lodging were purchased. The bills, invoices or records covering the purchase made under this certificate must be marked "Exempt Under CERT-112" to indicate an exempt purchase has occurred. This certificate only applies to the specific event indicated and may not be used for the exempt purchase of any meals or lodging at any other event.

Name of: (Check one box) <input type="checkbox"/> Exempt Organization <input type="checkbox"/> Qualifying Governmental Agency	Federal Employer Identification Number
Address of Exempt Organization or Qualifying Governmental Agency	Connecticut Exemption Permit Number (If any)
<i>(If the exempt organization was not issued a Connecticut exemption permit (E-number), please attach a copy of the exempt organization's I.R.C. §501(c)(3) or (13) determination letter.)</i>	

Name of Retailer	Check Appropriate Box(es) <input type="checkbox"/> Meals <input type="checkbox"/> Lodging
Address of Retailer	Date(s) of Event

Describe Purpose or Reason for Event: (Please be specific. For example, meeting of board of trustees, or luncheon to honor volunteers)

For the purchase of meals or lodging by the exempt organization or qualifying governmental agency: (See instructions)

Column A	Column B	Column C
Total Number of Meals or Lodging to be Purchased	Number for Which No Reimbursement, Full or Partial, Will Be Received	Number for Which Reimbursement, Full or Partial, Will Be Received

*The sum of the numbers entered in Column B and in Column C should equal the number entered in Column A.*

Will the meals or lodging be in conjunction with a conference or seminar for which a charge will be made to those attending? <input type="checkbox"/> Yes <input type="checkbox"/> No	Will the retailer of the meals or lodging directly invoice and charge the agency or organization for the meals or lodging? <input type="checkbox"/> Yes <input type="checkbox"/> No
Will a charge, by whatever name called, be made for the meals or lodging by the exempt organization or qualifying governmental agency to those who will consume the meals or lodging? <input type="checkbox"/> Yes <input type="checkbox"/> No	Will the agency or organization directly pay the retailer of the meals or lodging with a check drawn on its own checking account or with a credit card issued in its own name (and not in the name of one of its members, employees or officers)? <input type="checkbox"/> Yes <input type="checkbox"/> No

**Declaration by Exempt Organization or Qualifying Governmental Agency**

I declare that the exempt organization or qualifying governmental agency:

- Is being directly invoiced and charged by the retailer;
- Is directly paying the retailer with a check drawn on its own account or with a credit card issued in its own name; and
- Will not be reimbursed, directly or indirectly, by donation or otherwise, for all or a portion of the cost of the meals or lodging by those consuming the meals or lodging.

I also declare that any exemption permit noted on this certificate, or any determination letter or group exemption letter (as the case may be) attached to this certificate, has not been canceled or revoked. I declare under the penalty of false statement that I have examined this certificate and to the best of my knowledge and belief it is true, complete, and correct. (The penalty for false statement is imprisonment not to exceed one year or a fine not to exceed two thousand dollars, or both.)

Print Name	Title
Signature of Authorized Person	Date
	Telephone Number

**Notice to Retailers: Do not accept this certificate if the Department has not completed the following section and noted official approval.**  
*For Department Use Only*

**Request Approved by Department**

Official Approval/Department of Revenue Services	Date Approved
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**Request Disapproved by the Department**

Exempt organization did not provide proof of exempt status. (Connecticut exemption permit number or I.R.C. §501(c)(3) or (13) determination letter.)

Exempt organization or qualifying governmental agency will not be directly invoiced and charged by the retailer of the meals or lodging.

Exempt organization or qualifying governmental agency will not directly pay the retailer of the meals or lodging with a check drawn on its own checking account or with a credit card issued in its own name (and not in the name of one of its members, employees or officers).

Exempt organization or qualifying governmental agency will be reimbursed, in full or in part, for its payment for the meals or lodging by those consuming the meals or lodging.

Official Disapproval/Department of Revenue Services	Date Disapproved
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**For Further Information:** For other information, call the *Exempt Organization Coordinator* at 1-800-382-9463 (within Connecticut) and choose Option 0 or 860-297-5962 (from anywhere). TTY, TDD, and Text Telephone users only may transmit inquiries 24 hours a day by calling 860-297-4911. Preview and download forms and publications from the DRS Web site: [www.drs.state.ct.us](http://www.drs.state.ct.us)

Submit this certificate for approval to: Department of Revenue Services  
Taxpayer Services Division - Exempt Organization Coordinator  
25 Sigourney Street  
Hartford CT 06106-5032

(Revised 06/00)

## Certificate for Purchases of Tangible Personal Property and Services by Qualifying Exempt Organizations

**General Purpose:** A qualifying exempt organization must issue this certificate to retailers when purchasing items to be used by the organization exclusively for the purposes for which it was established. Under Conn. Gen. Stat. §12-412(8), a **qualifying exempt organization** is either:

- an organization that was issued an exemption permit before July 1, 1995, by the Department of Revenue Services (DRS) under Conn. Agencies Regs. §12-426-15, if the permit has not been canceled or revoked by DRS; or
- an organization that is exempt from federal income tax under I.R.C. §501(a) and has been issued a determination letter by the U.S. Treasury Department as an organization described in I.R.C. §501(c)(3) or (13), if the determination letter has not been revoked by the Internal Revenue Service.

A qualifying exempt organization may use this certificate to purchase any tangible personal property for resale at one of five fund-raising or social events of a day's duration during any calendar year. The event must be exempt from tax under Conn. Gen. Stat. §12-412(94). Otherwise, exempt organizations are not allowed to purchase tangible personal property for resale with this certificate.

This certificate may not be used for the purchase of meals or lodging, unless a qualifying exempt organization is purchasing meals for resale at one of five fund-raising or social events per year that is exempt from tax under Conn. Gen. Stat. §12-412(94). (See **Special Notice 98(11)**, *Exemption From Sales and Use Taxes of Sales by Nonprofit Organizations at Fundraising or Social Events.*)

If the purchaser is not a qualifying exempt organization or does not use the property or services purchased exclusively for the purposes for which the organization was established, the purchaser owes use tax on the total purchase price of the property or services.

**Statutory Authority:** Conn. Gen. Stat. §12-412(8) and (94).

**Instructions for the Purchaser:** An officer of a qualifying exempt organization must issue and sign this certificate to advise the seller of tangible personal property or taxable services that sales and use taxes do not apply to the purchase. Keep a copy of this certificate, the documents attached, and records that substantiate the information entered on this certificate for at least six years from the date this certificate is issued.

The purchaser must attach to this certificate a copy of the:

- exemption permit issued to the organization by DRS under Conn. Agencies Regs. §12-426-15; or
- determination letter or group exemption letter issued by the Internal Revenue Service which establishes that the organization has been determined to be an exempt organization described in I.R.C. §501(c)(3) or (13).

**Note:** For purchases made on or after January 1, 1996, a qualifying exempt organization that is covered by a group exemption letter, and that was **not** issued an exemption permit by DRS under Conn. Agencies Regs. §12-426-15, must attach to this certificate a copy of:

- the group exemption letter issued by the Internal Revenue Service to subordinate organizations (including the qualifying exempt organization) on whose behalf a central organization applied for recognition of exemption;
- the organization's written consent to the central organization to be covered by the group exemption letter; **and**
- the central organization's written notification to the Internal Revenue Service that the organization consents to be covered by the group exemption letter.

**Instructions for the Seller:** Acceptance of this certificate, when properly completed, relieves the seller from the burden of proving that the sale and the storage, use or consumption of the tangible personal property or taxable services are not subject to sales and use taxes. This certificate is valid only if taken in good faith from a qualifying exempt organization. The good faith of the seller will be questioned if the seller knows of facts that suggest the purchaser is not a qualifying exempt organization.

Keep this certificate, the documents attached, and bills or invoices to the purchaser for at least six years from the date that the items or services were purchased. The bills, invoices or records covering the purchase made under this certificate must be marked "Exempt Under **CERT-119**" to indicate that the purchase was exempt.

This certificate may be used for a single exempt purchase, in which case the box marked "Certificate for One Purchase Only" must be checked. This certificate may also be used for a continuing line of exempt purchases, in which case the box marked "Blanket Certificate" must be checked. A Blanket Certificate remains in effect for one year, unless the purchaser revokes it in writing before the expiration of the one year period.

An exempt organization must pay for its exempt purchases by a check drawn on its checking account or by a credit card issued in its name (and not in the name of any of its members or officers). An exempt organization may make a purchase of \$10 or less using cash from the organization's own funds. However, a blanket **CERT-119** may not be used for a cash purchase, and a properly completed **CERT-119**, with the appropriate documents attached, must be issued to the retailer at the time of each cash purchase.

**For Further Information:** Call Taxpayer Services at **1-800-382-9463** (toll-free within Connecticut) or **860-297-5962** (from anywhere). **TTY, TDD, and Text Telephone users** only may transmit inquiries 24 hours a day by calling **860-297-4911**. Preview and download forms and publications from the DRS Web site: [www.drs.state.ct](http://www.drs.state.ct)

Name of Purchaser	Address	CT Tax Registration Number <i>(If any)</i>	Exemption Permit # <i>(If any)</i>
			Federal Employer ID #
Name of Seller	Address	CT Tax Registration Number <i>(If any)</i>	Federal Employer ID #

Check One Box:

- Blanket Certificate
  Certificate for One Purchase Only

Check the Appropriate Box and Provide a Written Description of Each Item Purchased:

- Tangible Personal Property
  Taxable Services

Description:

### DECLARATION BY PURCHASER

The qualifying exempt organization declares that the tangible personal property or taxable services described above will be used exclusively for the purposes for which the organization was established, including the purchase of tangible personal property or meals for resale at one of five fundraising or social events per year that are exempt from tax. The organization further declares that the exemption permit, determination letter or group exemption letter (as the case may be) attached to this certificate has not been canceled or revoked.

According to Conn. Gen. Stat. §12-412(8) or Conn. Gen. Stat. §12-412(94), the purchase of the item(s) is exempt from sales and use taxes.

I declare under the penalty of false statement that I have examined the information in this certificate and to the best of my knowledge and belief it is true, complete, and correct. (The penalty for false statement is imprisonment not to exceed one year or a fine not to exceed two thousand dollars, or both.)

\_\_\_\_\_  
Name of Purchaser

By:

\_\_\_\_\_  
Signature of Authorized Person

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date