
Sales Tax Exemptions for Governmental Entities

Sales &
Use tax
notice
#03-25

There is confusion among some Tennessee dealers about Sales Tax Important Notice #03-21, issued by the Department of Revenue on June 23, 2003, regarding the issuance of a new nonprofit numbered exemption certificate to organizations authorized to purchase tangible personal property and taxable services free of tax. Some dealers are construing this notice to include purchases made by entities of the U.S. Government, the State of Tennessee, or Tennessee county and municipal governments.

These governmental entities have never been required to provide a numbered exemption certificate to make tax-exempt purchases in Tennessee. The Department of Revenue issues exempt governmental entities the generic Government Certificate of Exemption as

documentation for records of Tennessee dealers. **There is no change to this policy.** The specified governmental entities are not required to have a numbered certificate, dated July 1, 2003, or later, to make tax-exempt purchases in Tennessee. Tennessee dealers will continue to accept the generic Government Certificate of Exemption from these entities as before.

If you have any questions concerning this change, please contact the Tennessee Department of Revenue, Taxpayer Services Division, at (615) 253-0600 or, within Tennessee only, (800) 342-1003.

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