

Sales and Use Tax Bureau
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MISSISSIPPI

STATE TAX COMMISSION

Mailing Address:
Post Office Box 1033
Jackson, Mississippi 39215

Telephone: 601-923-7015
FAX: 601-923-7034

November 18, 2008

LeAnne Nixon
Jones County Junior College
Purchasing Office
900 S. Court Street
Ellisville, MS 39437

Ref: Sales Tax Exemption
File No: LR.08.278

Dear Ms. Nixon:

This is in response to your letter of September 26, 2008, in which you asked that we provide you with a statement verifying the Jones County Junior College's exemption from sales and use tax.

After a search of the applicable statutes, this is to confirm that the Jones County Junior College does qualify for sales tax exempt status pursuant to Miss. Code Ann. 27-65-105(b). This Section provides that sales to schools, when such schools are supported wholly or in part by funds provided by the State of Mississippi, provided that this exemption does not apply to sales of property which is not to be used in the ordinary operation of the school, or which is to be resold to the students or the public are exempt from sales taxes. **As a prerequisite to exemption, the sale of property or charge for services must be sold directly to, billed directly to, and paid for directly by the exempt entity.**

This exemption does not apply to sales of tangible personal property or services to contractors purchased in the performance of contracts with the exempt entity, nor the employees of the exempt entity, although the contractor or employee may be reimbursed for the expense by the exempt entity. The exemption also does not apply to Production Taxes nor Contractors Taxes levied by Miss. Code Ann. 27-65-15 and 27-65-21, respectively.

You may use a copy of this letter in order to substantiate the Jones County Junior College's exempt status. I trust that this is the information you were requesting. Should you have any additional questions, feel free to contact this office at (601) 923-7015.

Under Miss. Code Ann. 27-65-85(a), it shall be unlawful for any person to use an exemption authorized under the Sales Tax laws for the purpose of avoiding the payment of tax the person is required to pay by law. Any person violating this provision shall be guilty of a misdemeanor and, on conviction thereof, shall be fined not more than Five Hundred Dollars (\$500.00), or imprisoned not exceeding six (6) months in the county jail, or punished by both such fine and imprisonment, at the discretion of the court.

This letter ruling is based on the specific facts and circumstances that you communicated to the Tax Commission. This ruling is not binding on the Commission if these facts and circumstances are inaccurate, contain a material omission of a relevant fact or facts to the issue(s) presented or if such facts and circumstances change. This letter ruling is also only valid for seven (7) years from the date of this letter. At the end of this seven (7) year period, you are free to update your information and request another letter ruling if you wish. This ruling is only applicable to you or to your client if you are requesting this ruling on behalf of another and can only be relied upon by the person for whom the ruling was requested.

If the facts and circumstances presented in your request are accurate, complete and do not change for the seven (7) year period indicated above, the person for whom it was requested can rely upon this ruling unless and until there is a change in the law or regulation or the issuance of judicial decision that indicates that the ruling is no longer correct or the Commission retracts the ruling. The Commission does reserve the right to retract this ruling if it later determines on its own review that the ruling is wrong. Such a retraction would be in writing and the effect of the retraction would be prospective from the date of retraction letter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Phillip Griffin".

Phillip Griffin, Auditor
Sales and Use Tax Bureau