

Letter Ruling

— DEPARTMENT OF —
REVENUE
STATE OF MISSISSIPPI



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MISSISSIPPI SCHOOL OF THE ARTS
ATTN: SUZANNE HIRSCH
PO BOX 229
BROOKHAVEN MS 39602-0229

Date: March 11, 2020
Letter ID: L0175252288

Reference: Sales Tax exemption
Letter Ruling Number: 20-0096

This is in response to your letter dated March 09, 2020, requesting that the Mississippi Department of Revenue provide a ruling regarding whether the Mississippi School of the Arts is exempt from Mississippi sales and use tax. Your request has been assigned the letter ruling number listed above. Please use this number in any further correspondence with the DOR concerning this request.

After a search of the applicable statutes, this is to confirm that the Mississippi School of the Arts does qualify for sales tax exempt status pursuant to Miss. Code Ann. Section 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, 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 employees of the exempt entity, although the employee may be reimbursed for the expense 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, although the contractor may be reimbursed for the expense by the exempt entity. Furthermore, this exemption does not apply to Contractors Tax levied by Miss. Code Ann. Section 27-65-21. Finally, 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, the employees of the organization, or the general public.

You may use a copy of this letter in order to substantiate the Mississippi School of the Arts' 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. Section 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 DOR. This ruling is not binding on the DOR 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.

P.O. Box 1033 Jackson, MS 39215 Phone: (601) 923-7700 Fax: (601) 923-7714

Form # ml_0004 v. V10

Visit www.dor.ms.gov for tax information and online filing. If you call, please have this letter with you.