

AUDIT SERVICES

## SCHOOLS & UNIVERSITIES

TAX MATRIX

### INDUSTRY GUIDANCE

<b>Category:</b>	Schools & Universities	<b>Tax Type:</b>	Sales & Use Tax
<b>Brief Description:</b>	Schools & Universities Tax Matrix	<b>Issuance Date:</b>	05-01-2025
		<b>Revision Date:</b>	05-01-2025

The taxability of sales and purchases of tangible personal property and labor services by schools & universities are summarized below. While this document provides general information as to the taxability of sales and purchases of tangible personal property and labor services by businesses in the educational industry, it may not necessarily cover every situation as the taxability may depend on facts and circumstances around the specific transaction. Should a more definitive determination be desired, businesses may request a letter ruling from the Department. [MODOR Letter Ruling Page](#)

#### **This list is not all-inclusive.**

Missouri sales or use tax applies to those purchases identified or designated as taxable in the chart below. The applicable Missouri sales or Missouri consumer's use tax must be paid to the vendor or accrued and remitted directly to the Missouri Department of Revenue. Purchases from Missouri vendors should be reported using the retailer's sales tax return. Purchases from outside this state which are delivered to this state are to be reported on the Missouri consumer's use tax return.

**Note:** The taxability of sales made by schools and universities is based on the assumption that these institutions possess a valid Missouri Sales/Use tax exemption letter, which exempts such sales from tax. The taxability of purchases made by schools and universities is based on the assumption that these institutions possess a valid Missouri Sales/Use tax exemption letter, which exempts such purchases from tax and the vendor is paid by the school or university.

<b>Sales by Schools &amp; Universities:</b>	<b>Taxable/Exempt</b>
Tuition	Exempt
Room and board for students	Exempt
Sales of tangible personal property made by public secondary and elementary schools in their educational functions and activities	Exempt
Sales of tangible personal property made by private colleges	Exempt
Sales of tangible personal property made by public colleges	Exempt
Sales of tangible personal property made by trade or technical schools	Exempt
Sales by college bookstores, (excluding college textbooks) including but not limited to clothing, hats, pens, school supplies, college branded materials etc.	Taxable
Sales by college bookstores of college textbooks	Taxable (Subject to local sales taxes only)

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<b>Sales by Schools &amp; Universities (continued):</b>	<b>Taxable/Exempt</b>
College bookstore sales of snack items	Taxable (Reduced food rate)
School cafeteria sales through meal plan	Exempt
Sales of meals to third party visitors, where the cafeteria is open to the general public	Taxable
Sporting event ticket sales	Taxable
Sporting event concession sales	Taxable
Combined shipping and handling	Taxable
Handling charges	Taxable
Shipping, delivery, freight, and postage charges	Exempt
Inbound delivery that seller pays to their suppliers, and passes through to the customers	Taxable

<b>Purchases by Schools &amp; Universities:</b>	<b>Taxable/Exempt</b>
Items purchased for resale	Exempt
Donations of tangible personal property	Exempt
Employee purchases of tangible personal property where payment is made to the seller by the employee	Taxable
Employee purchases of tangible personal property where payment is made to the seller by the school. The school may supply the seller with a copy of its Missouri Sales/Use Tax exemption letter	Exempt
Employee purchases of meals where the restaurant is paid by the employee	Taxable
Employees staying at hotel where school or university pays the hotel	Exempt
Employees staying at hotel where employee pays the hotel	Taxable
Combined shipping and handling	Taxable
Handling charges	Taxable
Shipping, delivery, freight, and postage charges	Exempt
Inbound delivery that seller pays to their suppliers, and passes through to the school	Exempt
Specialty advertising	Exempt

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<b>Purchases by Schools &amp; Universities (continued):</b>	<b>Taxable/Exempt</b>
Media advertising	Exempt
Breakroom items (Microwave, refrigerator, etc.) where vendor is paid by the school	Exempt
Cleaning supplies and materials such as gloves, chemicals, waxes, etc.	Exempt
Books, newspapers, and magazine subscription	Exempt
Computer & internet equipment	Exempt
Canned software and software upgrades to maintain or update software delivered via CD Rom	Exempt
Canned software provided via electronic download through the internet	Exempt
Custom software and software upgrades to maintain or update software developed for a single end user	Exempt
Copiers, scanners, printers, and fax machines	Exempt
Complimentary bottled water, coffee, soft drinks, creamer, sugar, cups and stir sticks, candy etc.	Exempt
Promotional items including but not limited to: calendars, mugs, clothing, balloons, etc.	Exempt
Educational materials such as posters, printed materials and literature, etc.	Exempt
Office supplies such as office forms, staplers, paper, pens, pencils, labels, business cards, ink, toner, ribbon cartridge, etc.	Exempt
Furniture and fixtures, including but not limited to: desks, lamps, tables, chairs, artwork, signs, plants and planters, merchandise cases, shelving, etc.	Exempt
Repair and replacement parts for repairing, altering, or maintaining tangible personal property such as computers, printers, copiers, security equipment etc.	Exempt
Repairs, maintenance, and remodeling services to existing structure/facility through a hired contractor	Exempt
Utilities	Exempt
Security cameras & other security related equipment	Exempt
Security monitoring services	Exempt
Streaming music services	Exempt
Trash & cleaning services	Exempt
Pest control services	Exempt
Uniforms and other clothing for employees paid for by the school. The school may supply the seller with a copy of its Missouri sales /use tax exemption letter	Exempt

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<b>Purchases by Schools &amp; Universities (continued):</b>	<b>Taxable/Exempt</b>
Uniforms and other clothing for employees paid for by the employees	Taxable
Warranty or service agreements for tangible personal property such as computers, printers, copiers, security equipment etc.	Exempt