

Samples of Certificates of Exemption

Sales Not for Resale to Nonprofit Schools, Nonprofit Hospitals and Churches

The sale of tangible personal property to a nonprofit school, nonprofit hospital, or regularly organized church or house of religious worship is exempt. To claim the exemption, the exempt entity must sign a statement that the property will be used or consumed in connection with the operation of the institution or agency and that the institution or agency qualifies as an exempt entity under the law. A sample of the statement is provided below.

CERTIFICATE TO BE EXECUTED WHEN TAX-EXEMPT SALE IS MADE
TO AN EXEMPT INSTITUTION OR AGENCY

The undersigned hereby certifies that the item or items being purchased are to be used or consumed in connection with the operation of the exempt institution or agency named in the space provided below, and that the consideration for this purchase moves from the funds of the designated institution or agency. In the event this claim is disallowed, the transferee promises to reimburse the seller for the amount of the tax involved.

Name of Exempt Institution or Agency

Signature and Title of Claimant

Date

Sales to Governmental Entities

Sales to the United States government, the State of Michigan, and their political subdivisions, departments and institutions are not taxable when ordered on a purchase order and paid for by warrant on government funds. In the alternative, the government may claim exemption at the time of purchase by providing the seller with a signed statement to the effect that the purchaser is a governmental entity. A sample of such a statement appears below.

CERTIFICATE TO BE EXECUTED WHEN TAX-EXEMPT SALE IS MADE
TO A GOVERNMENTAL ENTITY

The undersigned hereby certifies that the tangible personal property being purchased is not for resale and is to be used in connection with the operation of the governmental entity named in the space below. The consideration for this purchase moves from the funds of the governmental entity. In the event this claim is disallowed, the purchaser promises to reimburse the seller for the amount of the tax involved.

Name of Governmental Entity

Signature and Title of Claimant

Date