

4-H Clubs Tax & Sale Issues

Tax Exempt Status

Chartered Ohio 4-H Clubs are exempt from paying sales tax on items they purchase for their club because they are a non-profit organization. This exemption only applies to the 4-H Club and does not extend to individual members or advisors.

When making a purchase the merchant, provide them with a State of Ohio Blanket Exemption Certificate (http://www.ohio4h.org/staff/files/financial%20management/Exemption_blanket_fi.pdf) In the middle of the form, state the use as "4-H Club 501(c) (3)". Place your Employer Identification Number in the area designated for a vendors license. An EIN number is required to open your checking account and is obtained through the Internal Revenue Service. You must complete form SS-4 (<http://www.irs.gov/pub/irs-pdf/fss4.pdf?portlet=3>) to obtain this number.

Charging Sales Tax on Fund Raising Items

4-H clubs must charge sales tax and remit the funds to the State of Ohio on all fundraising items that sold for a period greater than six days/events during the calendar year. There are items to sell that are exempt, see the chart below.

Item for Sale or Service	Tax Status
Plants	No Tax, if less than six days of sales
Food – if consumed off premises (i.e. Bake Sales)	No Tax
Candy Bars	No Tax
Coupon Books	No Tax
Calendars/Cookbooks	No Tax
Car Wash	Yes, if a fee is set. No, for donations.
Magazines	No, if mailed 2 nd class
Crafts	No tax, if less than six days/events.

Note: Fundraisers involving food preparation and handling must comply with OSU Extension Safe Food Handling Policy (<http://www.ag.ohio-state.edu/~admin/handbook/PDF%20files/foodservicefinal.pdf>).

Fund Raising and Vendors License

If you plan to have more than six days/events of fund raising during the course of the year, you must purchase a State of Ohio Vendors License. If you do not have a permanent site for your sales, you will need a transient vendor's license. You may purchase a vendor's license at your county Auditor's office or call the State of Ohio at 614-895-6250.

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