



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

ROBERT J. KLEINE
STATE TREASURER

April 28, 2010

Mr. Joseph W. Ryan, CFO
Girl Scouts Heart of Michigan
Saginaw Regional Center
5470 Davis Rd.
Saginaw, MI 48604

Dear Mr. Ryan:

This is in response to your correspondence of April 5, 2010.

You state that Girl Scout troops frequently ask if they can use Girl Scout Heart of Michigan's 501(c)(3) status for troop level sales tax exemption. The troops understand that the council itself is exempt from sales and use tax and you would like written clarification of exemption status at the troop level.

The Girl Scout Heart of Michigan, as a nonprofit entity under Section 501 (c)(3) of the Internal Revenue Code, qualifies as exempt from Michigan sales and use tax. However, the individual Girl Scout troops do not qualify as nonprofit entities exempt under Sections 501(c)(3) or 501(c)(4) of the Internal Revenue Code and are not authorized to use the Girl Scout Heart of Michigan's tax exempt status for purchases.

The Michigan General Sales and Use Tax Acts provide exemption from sales and use tax for those nonprofit entities that qualify as exempt under Sections 501(c)(3) or 501(c)(4) of the Internal Revenue Code. Another classification of nonprofit entities that qualify for Michigan sales/use tax exemption are those, that prior to 1994, received an exemption letter from this department. Revenue Administrative Bulletin (RAB) 1995-3 explains the exemption from Michigan sales and use taxes as it relates to nonprofit entities and may be downloaded from our web site, www.michigan.gov/treasury.

If you have any questions, please write the Technical Services Division at the address on the letterhead or call (517) 636-4357.

Sincerely,

A handwritten signature in black ink that reads "Donamarie Remus-Hart".

Donamarie Remus-Hart
Senior Analyst
Sales and Use Taxes
Technical Services Division