

# **BASCNA Tax Exemption Packet**

Revised by Board of Directors, 08/2017

## **BASCNA Certificate of Tax Exemption Care & Custody**

- Only Authorized Representatives are allowed to make purchases using the Florida Department of Revenue Consumer's Certificate of Exemption ("Certificate").
- Only Subcommittee Chairpersons and Vice-Chair persons, and Officers of the ASC are considered Authorized Representatives
  - ✓ **Officers of the ASC:** Chairperson & Vice Chairperson, Secretary & Alternate Secretary, Treasurer & Alternate Treasurer, Literature Distributor Team, RCM I & RCM II, Archivist & Alternate Archivist, Web Servant & Alternate Web Servant, BOD Members at Large
  - ✓ **Subcommittees:** Hospitals & Institutions (H & I), Activities, Public Relations (PR), Helpline, Policy, Literature Newsletter.
- New Subcommittee Chairpersons & Officers of the ASC must be oriented as to the rules pertaining to the use of the Certificate. Orientation is to be completed by the exiting Subcommittee Chairperson / Officer of the ASC. In the absence of an exiting Chair/Vice-Chair, the BASCNA Chair/Vice-Chair should complete the orientation.
- One certificate shall exist for each "team" – for example, the Treasurer "team", consisting of the Treasurer and the Alternate Treasurer shall possess one tax exempt certificate.
- Subcommittee Chair and Main Officers of the ASC are point of accountability for the Certificate (for example, the Secretary is the point of accountability for the Secretary & Alternate Secretary; the Activities Chair is the point of accountability for the Activities Subcommittee).
- Do not make any copies of the certificate.
- All purchases must be made with BASCNA funds. **Certificate cannot be used on purchases made by individuals who will seek reimbursement.**
- Certificate is never to be used for personal purchases.
- Subcommittee Chairperson / Officer of the ASC must maintain, and transfer to incoming Subcommittee Chairperson / Officer of the ASC, the "Tax Exemption Packet." In the absence of an incoming Subcommittee Chairperson / Officer of the ASC, the complete packet should be returned to BASCNA Chair or Vice-Chair to be maintained with the BASCNA Administrative Documents.

## **Rules for Proper Use of the Certificate of Exemption**

Section (1) applies to all subcommittees & Officers of the ASC.

Section two (2) is for Officers of the ASC

Section three (3) is for Subcommittees

### **Section 1 – All Subcommittees & Officers of the ASC**

- Certificate cannot be used to purchase items that will be re-sold for profit, including food items, t-shirts, memorabilia, etc.
- Certificate can be used for:
  - Venue/meeting space rental/equipment rental
  - Printed Material (i.e. flyers, meeting readings, or other material used during the subcommittee meeting or to promote the meeting)
  - Consumables (i.e. stationary supplies such as pens, folders, binders, etc.)

### **Section 2 – Specific to Officers of the ASC *(in addition to Section 1)***

- Chairperson Team
  - Printed materials and supplies
- Secretary Team
  - Printed materials and supplies
  - Software
- Treasurer Team
  - Software
  - Checks
  - Printed materials and supplies
- Literature Distributor Team
  - Printed material (including meeting lists) and supplies
  - Books
  - Medallions
- RCM Team
  - Hotel rooms
  - Printed materials and supplies
- Archivist Team
  - Printed materials and supplies
  - Digitization of archives
- Web Servant Team
  - Any online services – email auto-responder, web hosting, etc

- Printed materials and supplies
- Software
- BOD Members at Large
  - Printed materials and supplies
  - Tax preparation

### **Section 3 – Specific to Subcommittees** *(in addition to Section 1)*

- H&I
  - Supplies for annual learning day (except things to be resold)
  - Literature
  - Printed Material (including meeting lists) and supplies
- Activities
  - Decorations
  - Consumables (i.e. cups, plates, napkins, etc.)
  - DJ Rental (if applicable)
  - Venue Rental / Equipment Rental
  - Printed materials and supplies
- Public Relations
  - Bench rental
  - Supplies for any event or learning day held (except things to be resold)
  - Literature
  - Printed materials and supplies
- Helpline
  - Cellular service
  - Call routing service (currently 1-box)
  - Cell phone and equipment purchases
  - Printed materials and supplies
- Policy
  - Printed materials (including policy packets) and supplies
- Literature Newsletter
  - Printed materials (including newsletter) and supplies
  - Any online services – email auto-responder, web hosting, etc.
  - Designing materials

***Disclaimer: “When in doubt as to the proper use of the certificate in any given situation, the rule should be NOT to use the certificate and err on the side of caution in order to protect BASCNA and the integrity of Narcotics Anonymous.”***

## **Statute 12A-1.038**

### **Consumer's Certificate of Exemption; Exemption Certificates.**

(3) Sales made to exempt entities other than governmental units.

(a) An entity that holds a valid Consumer's Certificate of Exemption (Form DR-14) issued by the Florida Department of Revenue may extend a copy of its certificate to the selling dealer to purchase or rent taxable property, admissions, or services used for its authorized tax exempt purpose in lieu of paying sales tax. Purchases of property, admissions, or services used for the entity's authorized tax-exempt purposes must be made with the purchasing entity's funds and may not be made with personal funds of the purchasing entity's authorized representative. When the payment for taxable property, admissions, or services is made with an authorized representative's personal funds, the purchase is subject to tax, even if the representative is subsequently reimbursed with the entity's funds.

(b) To make purchases or rentals for the purposes of resale, the entity must be registered as a sales tax dealer and issue the selling dealer an Annual Resale Certificate (Form DR-13), as provided in Rule 12A-1.039, F.A.C.

The complete statute can be found here: <http://www.leg.state.fl.us/statutes>

## **Title XIV - Taxation and Finance**

### **Chapter 212 – Tax on Sales, Use, and Other Transactions**

**212.085** Fraudulent claim of exemption; penalties. — When any person shall fraudulently, for the purpose of evading tax, issue to a vendor or to any agent of the state a certificate or statement in writing in which he or she claims exemption from sales tax, such person, in addition to being liable for payment of the tax plus a mandatory penalty of 200 percent of the tax, shall be liable for fine and punishment as provided by law for a conviction of a felony of the third degree, as provided in s. 775.082, s. 775.083, or s. 775.084.

**775.082** Penalties; applicability of sentencing structures; mandatory minimum sentences for certain re-offenders previously released from prison.—

(e) For a felony of the third degree, by a term of imprisonment not exceeding 5 years.

**775.083** Fines.—

(1) A person who has been convicted of an offense other than a capital felony may be sentenced to pay a fine in addition to any punishment described in s. 775.082; when specifically authorized by statute, he or she may be sentenced to pay a fine in lieu of any punishment described in s. 775.082. A person who has been convicted of a noncriminal violation may be sentenced to pay a fine. Fines for designated crimes and for noncriminal violations shall not exceed:

(c) \$5,000, when the conviction is of a felony of the third degree.

**775.084** Violent career criminals; habitual felony offenders and habitual violent felony offenders; three time violent felony offenders; definitions; procedure; enhanced penalties or mandatory minimum prison terms.—

(1) As used in this act:

(a) “Habitual felony offender” means a defendant for whom the court may impose an extended term of imprisonment, as provided in paragraph (4)(a), if it finds that:

1. The defendant has previously been convicted of any combination of two or more felonies in this state or other qualified offenses.

*(DEFINITIONS AND PARTICULAR CRIMES AND CIRCUMSTANCES – TOO MUCH TO INCLUDE)*

(4)(a) The court, in conformity with the procedure established in paragraph (3)(a), may sentence the habitual felony offender as follows:

3. In the case of a felony of the third degree, for a term of years not exceeding 10.

***These statutes can be found, in their entirety, here: <http://www.leg.state.fl.us/statutes>***

**EXAMPLE**



**Consumer's Certificate of Exemption**

DR-14  
R. 04/05  
12/16/09

Issued Pursuant to Chapter 212, Florida Statutes

<b>01-23456789D-9</b>	04/18/2007	04/30/2012	501(C)(3) ORGANIZATION
Certificate Number	Effective Date	Expiration Date	Exemption Category

This certifies that

**Organization Name**

is exempt from the payment of Florida sales and use tax on real property rented, transient rental property rented, tangible personal property purchased or rented, or services purchased.



**Important Information for Exempt Organizations**

DR-14  
R. 04/05

1. You must provide all vendors and suppliers with an exemption certificate before making tax-exempt purchases. See Rule 12A-1.038, Florida Administrative Code (FAC).
2. Your *Consumer's Certificate of Exemption* is to be used solely by your organization for your organization's customary nonprofit activities.
3. Purchases made by an individual on behalf of the organization are taxable, even if the individual will be reimbursed by the organization.
4. This exemption applies only to purchases your organization makes. The sale or lease to others by your organization of tangible personal property, sleeping accommodations or other real property is taxable. Your organization must register, and collect and remit sales and use tax on such taxable transactions. Note: Churches are exempt from this requirement except when they are the lessor of real property (Rule 12A-1.070, FAC).
5. It is a criminal offense to fraudulently present this certificate to evade the payment of sales tax. Under no circumstances should this certificate be used for the personal benefit of any individual. Violators will be liable for payment of the sales tax plus a penalty of 200% of the tax, and may be subject to conviction of a third degree felony. Any violation will necessitate the revocation of this certificate.
6. If you have questions regarding your exemption certificate, please contact the Exemption Unit of Central Registration at 850-487-4130. The mailing address is PO BOX 6480, Tallahassee, FL 32314-6480.