

WHEN TO TAX

EXEMPT FROM SC TAX

Must be required for use in a course of study: Textbooks, magazines, periodicals, newspapers, books, books for continuing education.

On-line information systems, Data processing
Software, license & hardware maintenance contracts
CD Rom, etc. with educational material already on them
Band & sheet music, workbooks, plays, filmstrips, transparencies, motion picture films, audio tapes & records, recorded music.

OTHER

Sod (agriculture in nature)
Meals sold to school children
Books, magazines, newspapers, encyclopedias, and dictionaries for library use or use in the classroom
Software delivered electronically

MUST BE TAXED

NOT required for use in a course of study:

Software (canned or custom) & license to use or consume **if not delivered electronically**
Software & hardware maintenance contracts & renewals **if not delivered electronically**
Software license & renewals **if not delivered electronically**
Software delivered via Application Service Provider, whereby seller maintains the software on a website & purchaser pays to access it. (Monthly access fees)

OTHER

Musical instruments, art supplies, sports equipment, lab supplies	Classroom supplies, manipulated devices
Repairs to textbooks	Blank CD's, tapes, etc.
Subscriptions for Faculty	Teachers' aids, test, test booklets, evaluation sheets, games
Fundraisers unless paid through PTO	Dry Cleaning and Laundering Services
Dirt and Topsoil	Assessment materials, staff dev books
Newsletter (Labor is part of product therefore taxable)	
Rentals and Leases, Licenses to use, or any other agreement	
Warranty Contracts on initial sale of tangible personal property	
Communication Services: Teleconferencing, Paging, Cable TV, Satellite Programming, Fax Services, Email Services	
Freight, shipping, and delivery – NEVER TAX LABOR	