Sales Tax Reimbursement guidelines

Harvard University is a tax-exempt entity and as such, is exempt from paying sales tax. When purchasing goods, the SEAS community should make every effort to remind the vendor of Harvard’s tax exempt status and work with vendors to ensure sales tax is not charged.

How to avoid having sales tax charged to a purchase:

- Use HCOM Marketplace/Non-Catalog (Harvard preferred method)

- Present the Tax exemption form at the time of purchase*. The SEAS Financial Operations Team maintains tax exempt certifications (ST-2 and ST-5) on its website. This must be utilized when making a purchase:
  
  ST-2 Tax Exemption Certificate

  ST-5 Tax Exemption Certificate


Note: If you have any questions or need assistance applying the sales tax exemption, please reach out to your faculty administrator who will contact the SEAS Financial Operations Team.

- In the rare occasion Sales Tax is charged by the vendor, SEAS will allow reimbursement of sales tax.

- When submitting reimbursements that will be charged to sponsored funds, all sales tax charges should be split out separately and charged to a non-sponsored fund via object code 8450.

  Note: Sales tax on purchases charged to non-sponsored funds does not need to be split-coded to object code 8450; sales tax may be charged to the same object code of the expense.

- Meals/lodging tax does not need to be split out separately.

- Federal funds must never be used to reimburse sales tax.

*Use of University tax exemption:* note that individuals who use a personal payment mechanism (for example, their own cash or a personal credit card) to make a purchase on behalf of the University CANNOT use the University's sales or meals tax exemption. For Harvard’s sales tax exemption to be valid, Harvard must make the entire purchase directly. Pursuant to local policies, Harvard may reimburse individuals for sales or meals tax incurred on valid University purchases.