D11NR Tax Exempt Information

PERSONAL PURCHASES BY AUXILIARY MEMBERS ARE NOT EXEMPT FROM SALES TAX

It seems there is some confusion amongst members over the use of the USCG Auxiliary Tax Exempt Letter. Section 6381 of the Sales and Use Tax Code states "There are exempted from the computation of the amount of sales tax the gross receipts from the sale of any tangible personal property to:

The United States, its unincorporated agencies and instrumentalities; Any incorporated agency or instrumentality of the United States wholly owned by the United States or by a corporation wholly owned by the United States; The American National Red Cross, its chapters and branches."

The US Coast Guard Auxiliary is "a non-military organization administered by the Commandant of the Coast Guard under the direction of the Secretary of Homeland Security" (14USCA Section 821, 49 USCA Section 1655 (b)(1)). Accordingly, sales to the Auxiliary are not subject to sales tax.

All members of the Auxiliary who make purchases on behalf of the Auxiliary may request an exemption from sales tax (request letter from DSO-FN). But remember - while sales to organized units of the Coast Guard Auxiliary are exempt from sales tax, sales to individual members, even if billed through the Auxiliary, are not exempt from sales tax. This exemption may not be used for personal purchases.

DSO-FN 11NR