

Villanova University

Sales Tax Matrix

Villanova University, being a nonprofit educational institution, is exempt from paying taxes for the purchases of tangible personal property. However, this exemption is limited and does not apply to all purchases made by the University. Questions regarding sales tax issues should be directed to the Director of Procurement.

1. The following guide is a quick reference guide for some particular commodities indicating if these are taxable items as stated by the Commonwealth of Pennsylvania. Please see the attached [Decision Matrix](#) for further explanation.
2. When the Procurement Department creates a Purchase order for a taxable item, a separate line in the purchase order will indicate the amount of the tax. Departments that place orders directly with vendors (i.e. procurement card, blanket order, or direct bill) are responsible for making sure that the sales tax laws of Pennsylvania are followed. While the Procurement Department reviews all invoices for tax compliance, some invoices will not clearly identify a taxable versus non-taxable purchase. Therefore, it is required that the ordering department identifies taxable purchases and is responsible to have the vendors add sales tax to these purchases.
3. Construction vendors are eligible to use our tax ID for purchases considered “building machinery and equipment”. These purchases are tax exempt. It is the responsibility of the contractor to submit the required documentation to the vendors. The contractor will be held solely responsible for any unallowable tax exempt charges.

Attachments:

[Decision Matrix](#) – Detail of taxable and nontaxable items.

[Construction Activities](#) - Item that becomes permanent part of real estate.

**QUICK REFERENCE TAX GUIDE
VILLANOVA UNIVERSITY**

Purchase Of Vehicles	All FMO vehicles are taxable excluding garbage trucks. All other vehicles on campus are exempt from PA sales tax.
Vehicle Repair	All labor and parts required to repair any FMO vehicle is taxable (except for a garbage truck). All other vehicle repairs are tax exempt.
Utilities	All Utilities for the University are tax exempt. Utilities for the Villanova Conference Center are taxable (excluding water).
Villanova Conference Center	All items purchased are taxable.
Villanova Summer Conference	All items purchased are taxable
Hotel Tax	Villanova University is responsible for paying all hotel occupancy tax.
Purchase of Landscaping Material	Because Villanova University is an Arboretum, all material used for upkeep of the grounds at Villanova are tax exempt (examples include: mulch, plants, trees, and weed killing chemicals).
FMO Tools and Power Equipment	All tools and power equipment purchased by FMO for the maintenance and repair of Villanova University are taxable items (examples include: mowers, snow blowers, rakes, shovels, sanders, saws, brooms, and dust pans). Repairs or replacement parts for this machinery is also taxable.
Construction Activities	Construction, reconstruction, remodeling, repair or maintenance of any real estate which becomes a permanent part* of the real estate is subject to sales tax unless it is building machinery or equipment. All building machinery and equipment is tax exempt. Materials such as wood, nails, tile, grout, wire, conduit, junction boxes, duct work, valves, pipe supports and hangers, pipes, and fittings are taxable items. See decision matrix for further information.
Routine Maintenance and Repair	Routine maintenance and repair of real estate which includes minor repairs are tax exempt (examples include: light bulbs, carpet shampoo, replacement of water fountains, shower parts, faucets, and motors). See decision matrix for further information.
All other Purchases	Most other purchases are tax exempt, however Departments should review the decision matrix or contact the Director of Procurement for further clarification.

*Note: Attached is a listing of those materials that are presumed to become a permanent part of the real estate along with those items that do not become a permanent part of the real estate when dealing with Construction Activities. Building machinery and equipment are not taxable even if on this list of items.