

Food Sales Tax State of Minnesota

The following requirements apply to all events in which food is sold at St. Cloud State University:

1. No tax will be charged to the group on food items purchased directly from Sodexo and then prepared for resale. However, tax must be paid on the resale of prepared food.
2. An 8.375% sales tax (6.875% State of MN + 0.5% St. Cloud area sales and use tax + 1.0% City of St. Cloud) **MUST** be collected on all food sales. This includes but is not limited to all cultural dinners/festivals and food sales.
3. All funds for the event **MUST** be identified and accounted for separately in the student organization's account located in the Business Services office, Administrative Services Building (AS 123), when the funds are deposited. The applicable sales tax amounts must be deposited directly to the clearing accounts for sales tax. The account-object code numbers are 900159-9796 (.7375%) and 900147-9796 (1%). If sales tax is included in the cost of the item at the time of sale, you can calculate the taxable amount (net proceeds) by dividing total sales by 1.8375. Multiply the net proceeds by .7375% and 1% to determine the sales tax amounts.

See:

<http://www.stcloudstate.edu/atwood/policies/documents/FoodSaleFundraiserWorksheet2.pdf>

NO PROCEEDS FROM THE EVENTS CAN BE DEPOSITED IN PERSONAL OR OFF-CAMPUS ACCOUNTS.

4. Once deposited, the SCSU Business Services Office will forward all sales tax amounts directly to the appropriate state or city governmental unit.

Failure to comply with the State Statute could result in loss of recognition and possible legal action by MnSCU (Minnesota State Colleges and Universities) and the State of Minnesota.

If you have any questions regarding this regulation, please contact:

Jeff Wagner
SCSU Director of Business Services
(AS 124)
Phone 308-4289.