

Friends Don't Let Friends Pay Sales Tax

Have your book sales and Friends store become a taxing experience? If you're in California you're also in luck. Thanks to **California Revenue and Taxation Code Section 6370**, Friends of the Library and equivalent organizations need not pay sales tax on anything sold in a book sale or Friends' store.

The Section treats Friends of the Library (and PTAs and Co-Op Nursery Schools too) as "consumers" for the purpose of sales tax. This means that your group, as with any other consumer, needs only to pay sales tax on what you buy and not on what you sell. The only requirement is that any profits derived from sales be used for furthering the purposes of your organization. See

http://lao.ca.gov/1999/tax_expenditure_299/tep_299_salestax5.html#_1_2 for more information.

- Beth Robinson, Member FFCL Board of Directors, Carmel by the Sea, CA