

#### 40-9-31. Schools or school sponsored organizations

(a) The taxes imposed pursuant to Chapter 23 of this title, (commencing with Section 40-23-1), and any county and municipal sales and use taxes do not apply to sales by elementary or secondary schools or nonprofit elementary or secondary school-sponsored clubs and organizations or any nonprofit, elementary, or secondary school affiliated groups, such as parent-teacher organizations and booster clubs, whose membership may be composed of individuals other than students, provided the net proceeds from such sales are used solely for the benefit of the elementary or secondary school. Such nontaxable sales shall include sales resulting from agreements or contracts entered into with resident or nonresident organizations to participate in fund-raising campaigns for a percentage of the gross receipts where students act as agents or salesmen for the organizations by selling or taking orders for the sale of tangible personal property, and no one shall be required to pay sales or use taxes on such sales.

(b) The Department of Revenue may make any rules and regulations necessary to carry out the intent of this section.