



# BOY SCOUTS OF AMERICA

## CRADLE OF LIBERTY COUNCIL

**Date:** January 8, 2014  
**To:** Cradle of Liberty Council Unit Leaders  
**From:** Robin Crowl, National BSA Supply Group Territory Manager  
**Re:** Change to Sales Tax Exempt Process

Recently we were notified by the Commonwealth of Pennsylvania, along with numerous other states, that they will be more diligent in monitoring sales tax laws as they apply to Scout Shop sales. This will result in some changes in the way our local Scout Shop handles unit purchases.

Previously, Cradle of Liberty Council permitted Scout units to use the council tax exempt number for purchases in the Scout Shop. This will no longer be possible as Scout units are "owned" by their chartered organization (sponsor), not the local council. To continue to be exempt from paying sales tax and also be in compliance with applicable tax laws, units will have two options.

### 1. Unit Account

If your unit has a unit account with Cradle of Liberty Council, you can continue to do your shopping in the Scout Shop and use the council's tax exempt number. This is possible because the law views the council to be in "ownership" of the funds being held and ultimately used in the purchase process, therefore allowing the tax exempt number to be used. If you do not currently have a unit account at the council office, you may open one at any time.

### 2. Unit Check or Unit Debit Card

You can use your unit check or debit card to purchase items at the Scout Shop, but as it is not the council's money, you will need to provide a state sales tax exemption certificate in order to be tax exempt. You can obtain a copy of this form from your chartered organization, providing they are tax exempt. After providing the form to the Scout Shop, it will be entered and held in the system allowing you to make tax-free purchases in the future without presenting the form each time.

Please be aware, volunteers from your unit can still pay with personal checks, credit cards, or cash; however, as the individual owning the method of payment is not tax exempt, sales tax will be charged.

Beginning this month, units will need to utilize one of the methods listed above in order to be exempt from paying sales tax. We are sorry for any inconvenience this may cause, but also hope you understand the importance of being in compliance with the laws connected to this issue.

Should you need help securing a tax exempt form from your chartered organization or establishing a unit account at the council office, please feel free to contact the council office for assistance. Thank you for help in this matter.

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