

UCSB buyers can use Sales Tax Exemptions to reduce or eliminate California Sales Tax. Described below are four common tax exemptions along with links to additional information and to the tax exemption forms.

Common UCSB Tax Exemptions

- 1) items purchased for Resale (bookstore/food/clothing)
- 2) Federal Title Equipment
- 3) qualified Research Equipment
- 4) qualified Research Construction contracts

Additional Information and Forms

A department representative must complete one of the tax exemption certificates described below, sign it, and attach a copy to their Requisition. The form should include the Requisition or PO number plus a brief description of the product. The Name of Purchaser is UC Santa Barbara. The UCSB Permit Number is 015-036188.

For most Gateway purchases the attached form is sent to the supplier with the PO. However, if the supplier is CXML enabled, Gateway will not send the attachment. For CXML suppliers the department must send a copy of the exemption form directly to the supplier by email or fax.

[CDTFA-230](#) CALIFORNIA RESALE CERTIFICATE

A tax exemption certificate that authorizes the seller to not bill tax. Applicable if the items purchased will be resold by UCSB, or the items will be owned by the Federal Government. Typical UCSB resale items include books, food and clothing. Federal Title purchases should use this Resale Certificate.

[CDTFA-230-M](#) PARTIAL EXEMPTION CERTIFICATE FOR MANUFACTURING, RESEARCH AND DEVELOPMENT EQUIPMENT

A tax exemption certificate that authorizes the seller to bill tax to UCSB at the reduced rate of 3.8125%. Applicable for UCSB purchases of qualifying research equipment by a qualifying UCSB entity.

A qualifying UCSB entity is one that (A) is included in [2012 NAICS Code 541711](#) Research and Development in Biotechnology (or [Code 541712](#) Research and Development in the Physical, Engineering, and Life Sciences (except Biotechnology) and that (B) qualifies as having a >50% Research purpose. The qualifying equipment (must be used >50% for Research) must be in [Object Codes](#) 9000, 9100, 9115, 9120, 9125, 9135, 9230, 9236, 9610, or 9750.

[CDTFA-230-MC](#) CONSTRUCTION CONTRACTS—PARTIAL EXEMPTION CERTIFICATE FOR CALIFORNIA MANUFACTURING, RESEARCH AND DEVELOPMENT EQUIPMENT

A tax exemption certificate that authorizes the seller to bill tax to the Purchaser (may be UCSB or a Contractor) at a 3.8125% rate. Applicable for UCSB and UCSB Contractor purchases of special purpose buildings, materials or fixtures.

Depending on the percentage of usable volume of a building to be used in a qualifying manner, the entire building or only a portion of the building (*such as a lab*) may qualify for the partial exemption. All materials and fixtures that become a component part of the building will qualify for the partial exemption if no more than one-third (1/3) of the building's total usable volume (generally Length x Width x Height) is devoted to a non-qualifying use, such as administrative purposes, parking, break rooms, etc.

For additional information on these sales tax exemptions please visit the following websites or contact ron.hirst@bfs.ucsb.edu, UCSB Tax Compliance

UC Sales & Use Tax Manual (July 2019) www.ucop.edu/financial-accounting/_files/sutm.pdf

Research Equipment and Construction exemption, see www.cdtfa.ca.gov/industry/manufacturing-exemptions.htm

Federal Title exemption, see Regulation 1618. US Government Supply Contracts www.cdtfa.ca.gov/lawguides/vol1/sutr/1618.html

Sales for Resale, see www.cdtfa.ca.gov/formspubs/pub103/