

Texas Application for Exemption – Religious Organizations

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TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

Nonprofit religious organizations should use this application to request exemption from Texas sales tax, hotel occupancy tax and franchise tax, if applicable. To receive a state tax exemption as a religious organization, a nonprofit religious organization must be an organized group of people regularly meeting at a particular location with an established congregation for the primary purpose of holding, conducting and sponsoring religious worship services according to the rites of their sect. Exemption from federal tax is not required to qualify for exemption from state tax as a religious organization.

The exemption for religious organizations is provided for in Sections 151.310, 156.102 and 171.058 of the Texas Tax Code, and more detailed information can be found in Comptroller's Rules 3.322, 3.161, 3.541 and 3.583.

Some organizations will not qualify for exemption as a religious organization as that term is defined in Texas' law and rules, even though their activities may be religious in nature. Evangelistic associations do not qualify for exemption as religious organizations. Organizations that simply support and encourage religion as an incidental purpose, or that further religious work or teach their membership religious understanding (such as Bible study groups, prayer groups and revivals) do not qualify for exempt status under this category. Such an organization might still qualify for exemption from Texas sales tax and franchise tax, if applicable, based on their exemption under certain sections of the Internal Revenue Code (IRC).

Texas tax law provides an exemption from **sales** tax on goods and services purchased for use by organizations exempt under IRC Section 501(c)(3), (4), (8), (10) or (19). However, exempt organizations are required to collect tax on most of their sales of taxable items. See *Exempt Organizations—Sales and Purchases*, Publication 96-122. Texas law also provides an exemption from **franchise** tax for organizations exempted from the federal income tax under IRC Section 501(c)(2), (3), (4), (5), (6), (7), (8), (10), (16), (19) or (25).

If your organization has been granted federal tax exemption under one of the qualifying sections listed above, your organization will be granted an exemption from Texas sales tax, or sales and franchise tax, on the basis of the IRS exemption, as required by state law. Organizations that qualify for exemption based on a federal exemption are not exempt from hotel occupancy tax.

The laws, rules and other information about exemptions are online at www.Comptroller.Texas.Gov/taxes/exempt/.

You can submit your completed application along with required documentation by mail, fax, or email

Mail: Texas Comptroller of Public Accounts

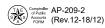
Exempt Organizations Section FAX: (512) 475-5862
P.O. Box 13528 Email: exempt.orgs@cpa.texas.gov

Austin, Texas 78711

We process applications in the order they are received. To establish claimed exemptions, we may require additional information. After review of the material, we will inform the organization in writing if it qualifies for exemption. The Comptroller, or an authorized representative of the Comptroller, may audit the records of an exempt organization at any time during regular business hours to verify the validity of the organization's exempt status.

If you have questions or need more information, contact us at 800-252-5555.

You have certain rights under Chapters 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at the address or phone number listed on this form.



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SECTION A	• Remove all staples	 Type or print. 	 Do NOT write in shaded areas.
1. ORGANIZATION NAME			
(Legal name as provided in Articles of Incorporation, or, if	unincorporated, the governing document.)		
2. ORGANIZATION MAILING ADDRESS			
Street number, P.O. Box or rural route and box number			
City	State/Province	ZIP code	County (or country, if outside the U.S.)
3. Texas taxpayer number (if applicable)			
4. a) Enter filing information issued by the T	exas Secretary of State:		Month Day Year
File number		File date	
OR			
b) Check this box if this organization	is not registered with the Texas Secre	etary of State.	
5. Federal Employer Identification Number (-		xemption)
6. Average attendance at worship service		tendance is less than 50, indicat presented in the average attend	
7. Make only one selection as the organizat		p	
Religious worship services	Ministry Youth group	Missionary	ible study Evangelistic association
O Data of factors while a series			
8. Date of first worship service	Time		Frequency
9. Time and frequency of worship services			
10. Physical address (no P.O. Box) where wo			
,			
11. Contact information of the person submit	ting this application		
Name		Email address	
Organization name		Daytime phone (Area	a code and number) Extension
Address	City	State	
			verified online. If an email address is not
provided, indicate where our response s	hould be mailed: organization'	's mailing address or mai	iling address of the submitter.
SECTION B			
Provide the following supporting	information as it applies to	the appropriate option b	pelow:
Option A (Member of a common deno	omination or convention of churche	s).	
 If your organization is a church that 	is a member of a common denomir	nation or convention of church	es, and the parent organization either has
			churches under its jurisdiction, your church ent organization stating that your church is
recognized subordinate, or provide			
Name of parent	. •	Parent organization	
organization ————————————————————————————————————		⊔ website ∟	
Option B (Independent or nondenom			
The following must be included with y • Your organization's statement of fait		e in the form of a bulletin, brocl	nure, written statement or website:
The regular order of what takes place.		mple, invocation, sermon, hym	nns, closing prayer);

- Evidence that services are open to the public and how they are advertised to the public;
- · A description of the facility where the worship services are regularly conducted (pictures are accepted but not required and will not be returned).
- · Special note to unincorporated entities: Include your organization's governing documents, such as the bylaws or constitution.
- Special note to non-Texas organizations: Include a file-stamped copy of your organization's formation documents AND a current Certificate of Existence from the Secretary of State or equivalent officer in your home state.

If your church has its own 501(c)(3) federal exemption, provide a copy of the IRS determination letter along with the information in option A or B so that we may update our records.