

**139.497 Exemption for sales by schools or school-sponsored clubs and organizations or affiliated groups and by certain nonprofit educational youth programs.**

Notwithstanding any other provisions of this chapter, the taxes imposed herein do not apply to:

- (1) 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 the sales are used solely for the benefit of the elementary or secondary school or its students. 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; and
- (2) Sales made by nonprofit educational youth programs affiliated with a land grant university cooperative extension service, if the net proceeds from the sales are used solely for the benefit of the affiliated programs.

**Effective:** July 15, 1998

**History:** Amended 1998 Ky. Acts ch. 80, sec. 1, effective July 15, 1998. -- Repealed and reenacted 1990 Ky. Acts ch. 476, Pt. V, sec. 361, effective July 13, 1990. -- Amended 1986 Ky. Acts ch. 167, sec. 1, effective July 15, 1986. -- Created 1984 Ky. Acts ch. 331, sec. 1, effective July 13, 1984.