



North Carolina Department of Revenue

Beverly Eaves Perdue
Governor

David W. Hoyle
Secretary

March 1, 2012

Federal ID: [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

Re: [REDACTED]

Dear Mr. [REDACTED]:

We are in receipt of your July 29, 2011 letter requesting a private letter ruling concerning a food services contract for your above referenced client. In your letter you state that "[t]he taxpayer has a cafeteria food services contract with the [REDACTED] in [REDACTED]. . . . The [REDACTED]. The taxpayer provides meals to students in the cafeteria during their stay at the [REDACTED]. . . This cafeteria is not open to the public and only serves student meals. Taxpayer is paying sales tax on all food purchases. . . The taxpayer believes that since they are under contract with a State educational institution, they are not required to charge sales tax on meals served to students."

G.S. § 105-164.13(27) exempts from sales and use tax "[m]eals and food products served to students in dining rooms regularly operated by State or private educational institutions or student organizations thereof." Based on a review of the [REDACTED] Proposal: [REDACTED] your client is not required to charge sales tax on meals served to students at the [REDACTED]. Your client should complete a Form E-595E, Streamlined Sales and Use Tax Agreement Certificate of Exemption, and provide the form to its vendors as the vendors' authority to not charge your client sales tax on food purchased for resale in the dining room.

This ruling is based solely on the facts submitted to the Department of Revenue for consideration of the transactions described. If the facts and circumstances given are not accurate, or if they change, then the taxpayer requesting this ruling may not rely on it. If a taxpayer relies on this ruling and the Department discovers, upon examination, that the fact situation of the taxpayer is different in any material aspect from the facts and circumstances given in this letter ruling, the letter ruling will not afford the taxpayer any protection. It should be

noted that this letter ruling is not to be cited as precedent and that a change in statute, a regulation, or case law could void this ruling.

If we can be of further assistance, please advise.

Very truly yours,

Administration Officer
Sales and Use Tax Division

cc: , Director-Sales and Use Tax Division
, Assistant Director-Sales and Use Tax Division