



Ohio Administrative Code

Rule 3349-11-51 Use of Ohio sales tax exemption and reimbursements.

Effective: March 16, 2026

(A) Purpose

- (1) To ensure compliance with the Ohio Auditor of State Technical Bulletin 2025-013 regarding the proper use of Ohio's sales tax exemption and adherence to proper reimbursement procedures when individuals make purchases on behalf of the university using their own personal funds.

(B) Scope

- (1) This policy applies to all employees authorized to make purchases on behalf of northeast Ohio medical university.

(C) Definitions

- (1) "Tax-exempt purchase" refers to a purchase of tangible personal property or selected services made by and charged directly to the university, where the invoice or bill of sale clearly indicates the university as the purchaser. The tax-exempt purchase must be paid for using a university-issued purchasing card ("p-card") or official university purchase order.
- (2) "Reimbursable purchase" refers to a purchase made by an individual using a personal credit card or personal funds on behalf of northeast Ohio medical university.
- (3) "Sales tax exemption certificate" refers to documentation issued under Ohio Revised Code § 5739.02 allowing northeast Ohio medical university to make tax-exempt purchases.

(D) Policy statement

- (1) Northeast Ohio medical university's sales tax exemption certificate may be used only when a purchase is made and paid for by northeast Ohio medical university directly using a purchase order or with a university-issued p-card. Employees may not present or use the university's sales tax exemption certificate when making purchases with their own personal credit cards or personal funds.
- (2) Direct tax-exempt purchases
 - (a) When possible, purchases should be made with a northeast Ohio university purchase order or using a university-issued purchasing card (p-card). Ohio sales tax should not be paid on these transactions.



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- (b) Invoices, receipts, and bills of sale must clearly indicate northeast Ohio medical university as the purchaser to qualify as a tax-exempt purchase, even if an employee picks up the property or engages the service provider.
 - (c) If sales tax is incorrectly charged on a direct university purchase, the responsible financial manager must endeavor to recover the sales tax by requesting credit for the sales tax from the merchant. If unsuccessful, the financial manager must then submit a refund application to the Ohio Department of Taxation on behalf of northeast Ohio medical university.
- (3) Purchases made with personal funds
- (a) If an employee makes a purchase on behalf of the university using a personal credit card or personal funds, the individual must pay applicable Ohio sales tax at the point of sale and cannot use the university's sales tax exemption certificate.
 - (b) The university may reimburse the employee for the full purchase price, including sales tax, provided the expenditure was for a proper university purpose and in accordance with applicable university policies. However, the university will not reimburse the sales tax portion for goods or services that could have been procured through an existing university contract, purchase order, or the use of a university p-card in conjunction with the university's sales tax exemption certificate.
 - (c) The university has established a maximum dollar threshold of five hundred dollars (\$500) per transaction (including sales tax) for reimbursable purchases made with personal funds. Purchases exceeding this threshold should be made using a university purchase order or university p-card to avoid unnecessary tax waste.
- (4) Failure to comply with this policy may result in:
- (a) Denial of reimbursement; or
 - (b) Loss of university-issued p-card; or
 - (c) A finding of recovery by the Ohio Auditor of State if the university improperly handles tax exemptions.