

PTO & BOOSTER CLUB GUIDELINES



2026
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Foreword

Booster clubs and parent organizations are established to promote school programs or complement student groups or activities. Support comes in many forms and may be as simple as providing refreshments for a particular event or it may be as complex as raising money for an out-of-state competition.

Booster clubs are complimentary to the school district and play a vital role in supporting students in achieving excellence in their activities. Belton ISD sincerely appreciates the countless hours, tireless efforts, and financial support from all our booster clubs and parent organizations. These organizations are critical partners in providing exceptional learning experiences for each and every student in the district.

These guidelines are designed to provide organizational and financial guidance for parent organizations and booster clubs. It not only guides the organizations in meeting district, state, and federal requirements, but also provides suggestions for improving the organization's day-to-day activities.

While booster clubs and parent organizations are independent tax-exempt entities, their invaluable work is closely linked to the district's operations and our shared standing in the community. To ensure we are all moving in the same direction, Belton ISD maintains a supportive oversight role; this includes collaborating on the formation of new groups and, if necessary, addressing the rare need for dissolution to protect the best interests of our students and schools.

To ensure school activities align with district policies and standards, organizations are encouraged to support student groups by collaborating closely with the campus principal. While we value your suggestions and input, please note that all final decisions regarding activities and travel are made by the principal or district administration.

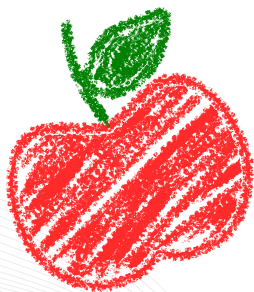
01

Introduction

Belton ISD is grateful to parent organizations and booster clubs for their partnership in providing exceptional learning opportunities for students. The primary objective of a parent organization (PO) or booster club (BC) is to encourage the cooperation of parents, students, school staff, and community members to enrich and complement the education and extracurricular activities of our students.

Parent organizations include:

- Parent Teacher Organizations (PTO)
- Parent Teacher Associations (PTA)
- Parent Teacher Student Organizations (PTSO)
- Parent Teacher Student Associations (PTSA)



02

Roles & Responsibilities

Parent Organization/Booster Club –

enhance student activities and experiences by supporting students and staff in a program or at a campus by performing the following:

- Volunteering
- Fundraising
- Connecting school and home



Sponsor, Coach, or Teacher –

of a student group, under the supervision of the campus principal, is the liaison between the parent organization, booster club, the campus and the district.

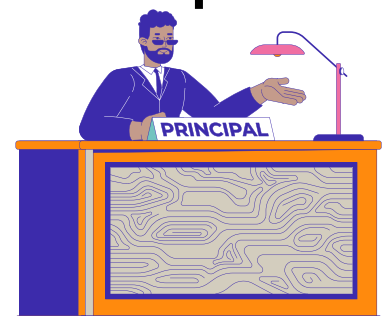
- Develops list of needs
- Plans activities
- Guides PO/BC support
- Completes district required documents



Principal –

advises and manages the PO/BC, student and staff activity.

- Approves PO/BC existence
- Identifies and prioritize needs
- Approves activities and projects
- Ensures safety of students
- Actively involved with PO/BC



Parent Organizations/Booster Clubs

must:



- Be voluntary and provide unified support for student activities of the school.
- Encourage involvement by all parents of students participating in the supported activity.
- Coordinate with teacher, sponsor or coach to get approval of the principal or director to use school facilities.
- Coordinate with the teacher, sponsor or coach to obtain approval from the campus principal or director for all fundraising activities by completing the Fundraising Activity Application.
- Use the term Booster Club or Parent Organization in the official name of the organization, not to be mistaken as the district.
- Present a financial report and supporting bank statement, not less than, quarterly, to the appropriate campus representative. (principal, coach or teacher)
- Submit a copy of the annual financial report to the district's business office no later than October 1st following the end of the fiscal year.
- Submit the name, address, and telephone number of all current officers to the district's business office by October 1st.
- Provide evidence of adequate insurance coverage for activities conducted on school premises. The district cannot provide insurance coverage for booster clubs.
- Pay all taxes and other debts incurred by the organization.
- Comply with administrative regulations and Board policies GE(Local) and CDC(Legal & Local) when donating money or gifts to the district.
- Comply with UIL guidelines, District policies, and Federal and State tax laws.
- If necessary, obtain legal counsel and certified public accountants to assist with tax and accounting related matters.
- Obtain an Employer Identification Number (EIN).
- Obtain tax exempt status 501(c)(3).
- Comply with the district's volunteer requirements and expectations. All parent or member volunteers must pass a criminal background check before serving at a campus or event.
- Adhere to all District guidelines and Board policies.

Parent Organizations/Booster Clubs

must not:



- Be involved in decision or policy making activities for a student group.
- Give a sponsor, coach, or teacher a gift or cash payment of more than the \$500 limit imposed by UIL guidelines.
- Give anything to students without prior approval from the school administration.
- Give a member any gift without the approval of the club membership.
- Directly employ or pay any member for services rendered with organization funds.
- Direct, employ, contract, supplement or in any way compensate a consultant, clinician, accompanist, or paraprofessional for work performed for the school program or student activity without prior approval of the campus principal, director and the district purchasing director. These individuals must have a criminal background check.
- Sign contracts or pay expenses directly from the organization's funds for any arrangements for student travel. (charter buses). Funds are to be donated to the campus or district with prior approval from the campus principal.
- Use the District's tax identification number.
- Use the District sales tax permit number.
- Use the name of Belton ISD in the name of the organization. (ex. Belton ISD Football Booster Club)
- Give cash to any district employee to use at his or her discretion.
- Require paid membership, by students or parents, to be eligible for any benefits from the organization.
- Require participation in any fundraiser to be eligible for benefits.
- Compete against, limit or restrict student efforts to raise activity funds.

03

Volunteer Requirements & Expectations

Belton ISD encourages family and community members to volunteer in our schools. To ensure student safety, all volunteers must complete a registration form and pass a criminal background check before serving at any district campus or event. This clearance is also required for one-time guests, vendors, speakers, and chaperones who may be unaccompanied by a district staff member.

Clearance Process

- **Register:** Through the Engage & Empower Volunteer and Partnership System.
- **Background Check:** All individuals must pass a criminal background check. Allow up to one week for the registration to be processed. A confirmation email will be sent to the registering volunteer.
- **Annual Renewal:** A new registration must be submitted each school year.

- **Check In at Front Office:** All visitors and volunteers must report to the front office and sign in through the Raptor system to receive a badge upon campus arrival.
- **Wear Badge:** The Raptor badge must be always worn while on campus.
- Volunteers are expected to work under the direction of school staff.

Student Safety

Student Confidentiality

- All student information is to remain confidential and may not be shared.
- While students may share personal details with you in trust, confidentiality has legal limits. You must immediately report to the campus principal if a student confides that they are:
 - experiencing sexual, emotional, chemical, or physical abuse
 - considering suicide or harm to others
 - involved in illegal activity.
- Document the information that was reported and to whom it was given.
- Family Educational Rights & Privacy Act (FERPA) protects the privacy of student records. A student record is any document that contains information directly related to a student (i.e. discipline reports, attendance records, test scores, grades, transcripts).
- All communication with parents should be handled by the appropriate teacher or campus administrator.

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Governance & Financial Responsibilities

Officer Requirements and Restrictions

A Booster Club or Parent Organization must have a President, Treasurer, and Secretary to operate. Each role must be filled by a different active member to ensure proper financial oversight. Additionally:

- **Family Restrictions:** Spouses or family members cannot serve as President and Treasurer at the same time.
- **Employee Restrictions:** While District employees may join the board, they cannot serve as Treasurer or have any authority over the organization's bank accounts and financial records.
- **Substitutes:** Substitutes are not restricted by this policy as they do not hold permanent employment positions.

Annual Budget

The organization's bylaws must stipulate the creation and approval of an annual budget by its membership. This is typically done in late spring or early fall for the upcoming school year. The budget should be submitted to the district club sponsor/teacher to be reviewed by the campus principal for reasonableness. Changes to the budget during the year should be approved by membership and forwarded to the campus principal for review.

Actual receipts and disbursements should be periodically compared to the budget.

The Treasurer is required to provide a monthly written financial report which should include the bank account balance and the receipt & disbursement activity since the last meeting. The financial report should also include a comparison of budgeted versus actual receipts and expenditures.

Meeting Minutes

All business addressed during the meetings should be approved and reflected in the meeting minutes to provide documentation of the membership directives.

Corporation Reporting

Every four years (or upon request), the Secretary of State requires nonprofits to submit an updated informational report. This is a legal requirement for all corporations, even those with tax-exempt status. Organizations are required to provide the names and addresses of their current officers, as well as the registered agent and office (principal/sponsor and school address are recommended). Failure to file will result in termination of the corporation.

Documentation of Financial Records

To ensure the accuracy and integrity of financial records, organizations are strongly encouraged to utilize computerized accounting software. Leadership should select a system that is user-friendly, simplifies the transfer of records to future treasurers, and offers long-term sustainability to support the organization's evolving needs.

For organizations seeking standardized business form templates, the district's [Business Services webpage](#) offers various downloadable forms. These resources can be adapted to the organization's needs to assist in maintaining adequate documentation.

Financial Reporting

To maintain transparency and accountability, the organization must adhere to the following reporting standards:

- **Membership reporting:** At a minimum, the general membership must be provided with a financial report comparing budgeted versus actual revenues and expenditures at all meetings.
- **Executive oversight:** Monthly financial packets—including the financial report, bank reconciliations, and original bank statements must be submitted to the President and/or other designated officers for thorough review. This process ensures that the executive board maintains active internal controls and oversight of the organization's funds.
- **Cash receipts and disbursement:** reports should be available for review when needed.
- **Financial reports:** Parent organizations and booster clubs are required to submit an annual financial report to the principal and Chief Financial Officer by October 1st each year. The financial report is for informational purposes only and is not audited by the district.

05

Fundraising

Fundraising is an investment in the entire student group. To protect tax-exempt status and comply with IRS regulations and District Policy GE(Local), organizations are to fundraise under the principle of collective benefit for everyone. All fundraising activities must adhere to the following guidelines:

Collective Benefit

Every dollar raised is a resource for the entire group, not individual students.

No Individual Accounts

The IRS strictly prohibits individual fundraising accounts. Group benefits cannot be based on individual money raised or event participation.

Voluntary Participation

Joining a fundraiser is completely optional. A student or parents' decision or inability to raise funds should not affect their opportunity to benefit from the fundraiser's proceeds.

All proceeds must be deposited into a single group account where every member has an equal opportunity to benefit. If your club is currently using individual accounts to track student credits, please discontinue this practice immediately.

Fundraising Request Application

In accordance with board policy GE(Local), all fundraising, promotional events, and charitable solicitations must be reviewed and approved by the campus principal or appropriate Director (i.e. Athletic, Fine Arts) three weeks prior to commencement.

The Fundraising Activity Application helps the district coordinate resources (custodial, maintenance, and facility availability) and prevents scheduling conflicts. Its purpose is limited to fundraising approval; the district does not monitor or audit the internal or external finances of participating organizations.

Organizations should coordinate with the program's teacher, coach or sponsor to complete the Fundraising Activity Application. It must be submitted to the principal or director for formal approval.

The following information is required for the fundraising activity application:

- Club Name
- Campus Represented
- Club Email
- Start and End Date of Sale or Fundraising Activity
- Description of the fundraising activity and products sold
- Estimated Earnings of fundraiser.

This application is utilized for both district activity funds and outside organizations (Booster/PTO). While activity fund clubs must provide additional documentation as outlined in the Fundraiser Quick Reference Guide, parent groups only need to complete the information stated above.

For further guidance, please visit the Parent Organization and Booster Club webpage.

06

Smart Snacks & Competitive Food Sales

To promote student wellness, all foods and beverages sold on campus during the school day must meet nutritional standards set by the U.S. Department of Agriculture and the U.S. Department of Education. Commonly referred to as "Competitive Foods" because they are sold alongside the National School Lunch Program, these items must fully comply with federal requirements, the [Belton ISD Wellness Plan](#), and board policy [FFA\(Local\)](#).

Definition of the "School Day"

Smart Snack standards apply from midnight before the school day begins until 30 minutes after the school day ends.

Types of Transactions

Competitive food standards apply to any exchange of value, including:

- Direct payments (cash or credit cards)
- Indirect payments (tokens or tickets)
- Items offered for suggested donations



Covered sales

The following food and beverage sales must comply with these standards

- a la carte items sold in the cafeteria
- school stores
- snack bars
- vending machines
- food and beverages sold during fundraisers
- giving away food for suggested donations
- concession stand food and beverages sold during the school day



Exemptions & Non-Competitive Items

The following scenarios are not subject to competitive food standards:

- **Off-Campus Events:** Food provided when students travel for competitions (provided the location does not operate a school lunch program and/or have Wellness Policy limiting these foods).
- **Future Consumption:** Bulk items not intended to be eaten at school (e.g., frozen cookie dough, FFA meat sales).
- **After Hours:** Sales that occur more than 30 minutes after the school day ends.

Local Belton ISD Policy & Special Occasions

The Belton ISD board policy FFA(Local) and Wellness Plan establishes local guidelines on foods and beverages made available to students. According to the plan, foods and beverages given away or otherwise made available to students must meet the Smart Snacks standards except for the following:

- **Campus Celebrations:** Each campus may host up to nine (9) days of celebrations per year where food does not meet Smart Snack standards. These events must be approved by the principal and occur after the scheduled lunch period.
- **Exempt Fundraisers:** Each campus is permitted six (6) exempt fundraiser days per school year. However, exempt items cannot be sold in the food service area while school meals are being served.



Why Compliance Matters



Revenue from the National School Breakfast and Lunch programs is essential to the district's school nutrition services. Competitive sales that do not align with these standards can divert vital funding away from the School Nutrition Program.

Resources & Contact Information

- Refer to Appendix A "Smart Snacks One-Pager for additional fundraiser and nutritional standards information.
- Detailed information can also be found on the Texas Department of Agriculture Square Meals website which contains Section 22, Competitive Foods of the Administrator's Reference Manual (ARM).
- Reach out to Chris Teager, Director of School Nutrition at 215-2190.

07

Raffles & Bingo

Raffles

The school district is prohibited by Texas law from sponsoring or conducting any raffle or bingo game for the purpose of raising money. A raffle is any activity that involves awarding a prize (anything of value) to one or more people who have purchased a ticket. The Charitable Raffle Enabling Act (CREA) allows organizations that support schools to conduct raffles under certain conditions. If holding a raffle is considered, check the statutes to be sure that you qualify.

In accordance with the Charitable Raffle Enabling Act, It is important to follow the following rules:

- **Qualified Organization:** must be a 501(c)(3) non-profit organization that has been in existence in Texas for at least 3 preceding years (Note: If your club is newer than three years, it cannot legally hold a raffle).
- **Frequency and Limitation:** maximum 4 raffles per calendar year and cannot hold multiple raffles at the same time.
- **Illegal Raffles:** 50/50 raffles (where winner takes half the pot) is illegal.
- **Prize Restrictions:**
 - No cash prizes or gift cards easily converted to cash (Visa, American Express)
 - Store specific gift cards are generally acceptable
 - If club purchases the prize, it cannot exceed \$75,000 in value.
 - If the prize is donated, there is no value limit
 - The prize must physically be in the club's possession (or own the title) before the first ticket is sold.

- **Ticket Requirements:** raffle tickets must have the following printed on it:
 - Name of the booster club
 - Address of the club
 - Ticket price
 - General description of every prize valued over \$10
 - Date prize will be awarded
- **Advertising & Sales:** no online sales. You cannot sell raffle tickets on a website or through apps like Venmo/PayPal. Tickets must be sold in person or through physical mail. Paid advertising on TV, radio or newspapers is prohibited. Promotion of the raffle may be accomplished on the organization's website, newsletter or social media may be used.
- **District Approval:** clubs are required to complete the Fundraising Activity Application prior to holding a raffle.

Bingo

It is important to note that the Charitable Bingo Enabling Act is significantly more restrictive than the laws governing raffles. Under Texas law, most parent organizations and booster clubs do not qualify to conduct bingo games for fundraising purposes.

In Texas, a bingo license can only be issued to specific types of organizations: Churches, fraternal and veterans' organizations, volunteer fire departments, and non-profit medical organizations.

Organizations should carefully review all applicable regulations before considering bingo-related activities. Conducting an unlicensed bingo game can result in significant legal penalties.

For detailed rules, including a copy of the Bingo Enabling Act, the Charitable Bingo Administrative Rules, and the Bingo Operations Manual, please visit the official website at www.txbingo.org or contact the state regulatory offices for current licensing requirements.

08

Donation Collection & Tax-Exempt Guidelines

Understanding your organization's tax status is critical when soliciting donations. A donor's ability to claim a tax deduction depends entirely on your IRS standing—not your affiliation with the school.

- **Non-501(c)(3) Organizations:** If your club is not a registered 501(c)(3) non-profit – contributions or donations are not tax-deductible. You are legally required to inform individuals or businesses of this fact at the time of solicitation.
- **501(c)(3) Organizations:** Clubs with an official IRS Determination Letter may accept tax-deductible contributions under IRS Regulation 170.

Important Note

Even though funds ultimately benefit student groups, the gift is legally made to the Parent Organization/Booster Club, not to the school or the school district.

Written Acknowledgments (Receipts)

Receipts are required for contributions of \$250 or more. 501(c)(3) organizations are required to provide the donor with a written acknowledgment. This document must include your organization's Employer Identification Number (EIN) and the following details:

- **Organization Name:** as registered with the IRS.
- **Cash Amount:** total amount of any monetary contribution.
- **Non-Cash Description:** description of any donated items.
 - Note: Do not assign a dollar value to non-cash items. It is the donor's responsibility to determine the value for their tax records.
- **Goods & Services Statement:** If no goods or services were provided in exchange for the gift, state: "No goods or services were provided by our organization in return for this contribution."
 - If the donor received something in return (dinner or a gift), provide a description and a good-faith estimate of the value of those goods.

Sample Acknowledgement of Donations

Below is a simple donor receipt template to provide to your donors:

*Thank you for your contribution of **[Amount or Description of Item]** to the **[Club Name]** received on **[Date]**.*

*Tax Information: **[Club Name]** is a 501(c)(3) non-profit organization (EIN: **XX-XXXXXXX**).*

- 1. No goods or services were provided in exchange for this contribution.*
- 2. In exchange for this contribution, the donor received **[Description of Goods]** with an estimated fair market value of **\$(Amount)**.*

Donations to Campus or District

Parent Organizations and Booster Clubs generally support their campus, specific student groups or the district through one of the following two financial methods:

- **Direct Donation (Recommended Method):** Under this model, the organization deposits raised funds into its own bank account and subsequently issues a check to the campus.

This is the recommended IRS method. It creates a transparent audit trail for the donation and reduces the accounting burden on the donating organization. Once gifted, the campus/district assumes all accounting, safeguarding and disbursement duties.

- **Direct Vendor Payment:** Funds are deposited into the organization's bank account, and checks are issued directly to vendors for expenses that align with the organization's mission. The organization maintains full responsibility for all accounting and safeguarding of funds.

Donation Documentation and Approval

To document any monetary or non-monetary donation, the campus or district representative must complete the Donation Recognition Form and obtain approval from their principal or director.

- **Deposits:** All cash donations must be deposited immediately into the designated activity account.
- **CFO Review:** Every completed form must be submitted to the Chief Financial Officer (CFO) for final review.
- **Restricted Gifts:** Donations should ideally be unrestricted. Any specific donor restrictions must be detailed on the form and are subject to final approval by the CFO.
- **Value of Donation:** Any donation, whether monetary or non-monetary, valued at \$1,000 or more requires formal approval from the Board of Trustees.

Once all required signatures are finalized, the completed form will be returned to the originating campus to be filed with permanent activity fund records.

Gifts & Solicitations

In accordance with District Policy DBD(Local), school district staff shall not accept or solicit any gift, favor, service, or other benefit that could reasonably be construed to influence the employee's discharge of assigned duties and responsibilities. Students are also discouraged from accepting gifts of value. Students engaged in UIL activities shall not accept gifts except as provided by UIL Constitution and Contest Rules.

In accordance with CDC(Local), once accepted, gifts to the district become the sole property of the district and the following will be considered before accepting any gifts:

1. Has a purpose consistent with the district's educational goals, and objectives;
2. Places restrictions on a campus or district program.
3. Supports a program that the Board may be unable or unwilling to continue when the donation of funds is exhausted.
4. Results in ancillary or ongoing costs for the district.
5. Requires employment of additional personnel.
6. Requires or implies the endorsement of a specific business or product [see GKB(Local) for advertising opportunities];
7. Creates inequitable funding, equipment, or resources among district schools or programs.
8. Obligates the district or a campus to engage in specific actions; or
9. Affects the physical structure of a building or requires extensive maintenance.

09

Scholarships

Scholarship programs are one of the most rewarding ways a parent organization can support its students. However, because these programs involve awarding non-profit funds to individuals, the IRS views them through a lens of strict scrutiny. To protect your tax-exempt status and ensure every student has a fair advantage, the scholarship process must be built on a foundation of transparency and objective merit.

Every scholarship begins with your organization's mission. To stay compliant, the program must align directly with the purpose stated in your bylaws. When identifying potential applicants, the pool must be broad enough to qualify as a "charitable class"—ensuring the opportunity is open to the community rather than a small, exclusive group.

We understand that our most dedicated volunteers often have students of their own. While family members of board members, selection committee participants, and major contributors are eligible to apply, these situations demand the utmost integrity and objectivity. The organization must go above and beyond to ensure that personal relationships never influence the final award.

The key to a successful scholarship program is consistency. The eligibility criteria should be clearly stated in your bylaws and remain consistent from year to year. Most importantly, scholarships must never require students or parents to join the booster club or parent organization or participate in fundraising to be eligible for scholarships. Nor should they reward the most active members or those that have the highest fundraising record.

The organizations' bylaws should also specify the amount and number of scholarships to be awarded. As a best practice, the total scholarship payout should represent no more than 10% to 15% of the total annual operating budget.

To maintain the highest ethical standards, the selection process must be rooted in total objectivity and transparency. To eliminate even the slightest appearance of favoritism, organizations are required to form an independent selection committee.

This committee serves as an independent third party and should be comprised of neutral members who possess no personal stake, family ties, or influential leadership role within your organization. By utilizing individuals who are independent of the applicant pool and the board, you ensure that every scholarship is awarded based on merit rather than proximity to the organization.

To further protect the integrity of the selection process, the committee must perform a "Blind Review." All student names and identifying details are removed from the applications before they reach the committee. This ensures that every recipient is chosen solely on their merits, free from unconscious bias.

The final step is ensuring the funds are used exactly as intended: **for education**. To maintain this accountability, scholarship checks are never issued to the student or their family. Instead, the check is cut directly to the student's chosen educational institution. This professional hand-off ensures the scholarship reaches the registrar's office and directly supports the students' higher education.



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Financial Management

Internal Controls

To safeguard the booster club's financial well-being and protect its members from liability, it is essential to implement rigorous internal controls. The following guidelines outline the practices necessary to prevent financial loss due to negligence, errors, or misappropriation.

Bank Accounts

Organizations are required to establish a checking account with the organization's EIN number at a bank. A person's social security number or the District's EIN number cannot be used to set up a bank account. Accounts should be established with at least three individuals on the signature card. Checks and EFTs must require the signature or authorization of two board officers. Each check must be supported by all supporting receipts and/or documentation which will be part of the monthly reconciliation and annual review of financial records.

It is highly recommended to have a designated member without signature authority to review the bank statement and its contents for reasonableness and compliance with Treasurer reports, the budget, and the ongoing business of the organization. Pay special attention to outstanding or reconciling items. Cancelled checks or imaged copies of checks should be reviewed to ensure the payee is consistent with the payee identified on the check register and endorsement on the check are reasonable. This member should sign off on the completed bank reconciliation.

Bank statements should be reconciled within 30 days of the date of the statement to ensure that possible inaccurate transactions are identified and communicated to the bank for correction.

Cash & Receipts

All cash collections, including program dues, fundraising proceeds, concession sales and event revenue must be deposited immediately upon receipt. To minimize risk, deposits should be made daily and are mandatory whenever on-hand receipts exceed \$300. To ensure no funds are left vulnerable, all money must be deposited before the start of any weekend or holiday. While awaiting deposit, cash must be adequately safeguarded and stored in a locked safe; the use of bank night deposit drops is highly recommended to deposit funds as quickly as possible.

To maintain a transparent audit trail, every deposit must be accompanied by detailed records documenting the source and exact amount of funds, such as copies of cash receipts, cash receipt logs, ticket sales records, or tabulation of monies collected forms. These documents must be kept readily available for future financial reviews. Furthermore, cash transfers are subject to the same oversight as checks or EFTs, requiring formal authorization from two club officers.

Under no circumstances should organization funds be kept at a member's residence. Officers and volunteers should make every effort to balance collections on the day of an event, prepare the necessary documentation, and utilize a bank night deposit drop for immediate safekeeping.

Disbursements

All disbursements via check or electronic fund transfer (EFT) should receive prior authorization from the executive board. To ensure a system of checks and balances, every payment requires two authorized signatures or dual-level authentication. Disbursements should be processed and completely documented; this includes maintaining original receipts, invoices, quotes, and packing slips, all of which must be archived for future financial reviews.

Furthermore, organizations should not allow the issuance of blank checks to any individual, regardless of their role. Reimbursements to members or officers should only be granted upon the submission of an official receipt or invoice. Direct disbursements to district employees are not permitted.

Petty Cash

Each organization may maintain a small petty cash account. Strict controls must be maintained by keeping petty cash in a locked box accessible by only the treasurer and one other officer. Control of the petty cash account by a district employee is not allowed. The petty cash funds should be used for emergency purchases only. All other purchases should be made with a check.

Upon disbursement through the petty cash account, a receipt for the purchase should be retained. At any given time, the amount of petty cash remaining and the aggregate total of receipts on hand should equal the amount of the established petty cash account.

Individual Gifts to Students

No gifts or purchases that individually benefit students shall be made outside of UIL guidelines.

When establishing program costs and setting fundraisers, organizations should be cognizant of the financial effects on students and families. Reasonable efforts should be made to ensure that all individuals are able to participate in activities. Tax-exempt organizations must benefit a group instead of benefiting individual members of a group. As such, organizations should not be a collection agent for the campus teacher/sponsor in the form of fees. All members of the student group are to be treated equally and receive the same opportunity to benefit from the organization's activities. Therefore, one student cannot receive greater benefit than another.

The IRS has indicated that a group or club may establish criteria that could be used to determine if a student is in financial need. If the criteria are met, the group or club could provide a greater benefit to a particular student. The criteria should be established in writing prior to a particular situation arising. In addition, the criteria should be used consistently for all people, and the criteria should not change every year.



Membership Dues

Organizations may charge dues to their members (parents and teachers); however, parents and teachers do not have to be members for their children or students to receive benefits from the organization's activities. Membership dues are separate from the expenses incurred by a student for an activity (i.e., trip expenses). The annual dues amount should be set and approved by the organization's Board.

Payment for Work Performance



Organizations shall not directly employ, contract, supplement or in any way compensate district staff for work performed, except for one-time temporary workers who are not current employees.

Organizations holding events at district facilities may be charged for district employees who must work because of the event. This expense will be included in facilities use charges.

1099 Requirements



Internal Revenue Service guidelines require that all payments for services more than \$600 made to an individual by a booster organization be reported on a form 1099 on an annual basis. The organization should secure an IRS W-9 form from the worker/provider at the time of service to ensure that the organization has an accurate record of the taxpayer identification number. The organization must then issue a form 1099 to all qualifying vendors performed in the calendar year by January 31st. The [Internal Revenue Service](#) website should be accessed for appropriate 1099 reporting requirements and forms.



Record Keeping

Organizations should establish a record file that is passed on to new officers (i.e. secretary, treasurer). The records should be turned over to the incoming officers within 30 days of election. Records should be kept for a period of 10 years for audit purposes. Permanent records should be kept indefinitely, and non-permanent records for a minimum of 5 years.

Permanent Records

- Certificate of Formation (Articles of Incorporation)
- Bylaws, Charters
- Minutes from meetings
- Sales tax permit and application for permit
- Certificate of Formation of Nonprofit Corporation from the State of Texas
- State sales tax exemption notification
- State franchise tax exemption notification
- IRS Form SS-4, Application for Employer Identification Number
- IRS Form 1023, Application for Recognition of Exemption
- Determination Letter

Non-permanent Records

- Financial Reports
- Check registers and bank records
- Contribution receipt records
- Sale tax reports
- Correspondence with Texas Secretary of State and the Comptroller
- IRS Form 990, 990-EZ, or 990-N
- Correspondence with the IRS

Confirm with the Texas Comptroller and the IRS that your organization is in good standing and there are no open items or issues related to the time period of records being discarded.

11

Formation of Parent Organizations or Booster Clubs

Parents may form organizations to help raise money to enhance a school, program or student group. Optimal efficacy requires strong commitment from the members, so great consideration should be taken before forming a parent organization or booster club.

1. **Elementary schools** - may form a Parent-Teacher Organization (PTO) or establish a school chapter of the Parent-Teacher Association (PTA) to support all students enrolled in the school.
2. **Secondary schools** - may form Booster Clubs, a Parent-Teacher Organization (PTO), a Parent Teacher Association (PTA), a Parent-Teacher-Student Organization (PTSO), or a Parent-Teacher-Student-Association (PTSA).

Parents interested in forming a PO/Booster Club should discuss the pros, cons and responsibilities of having a PO/Booster Club amongst each other and with the campus principal. Consider the following questions:

1. Will a PO/Booster Club add specific value to the school or student group?
2. Are there enough parent volunteers willing to commit time and resources to sustain a PO/Booster Club into the future?
3. Are parents willing to obtain necessary training to follow all BISD, UIL, state, and federal regulations? (This includes submitting required accounting data [including annual tax filings] information to the Texas Comptroller's Office and the IRS.)
4. Have parents read the BISD Parent Organization Booster Club Guidelines to understand the commitment required to maintain a PO/Booster Club?
5. Have parents researched PO/Booster Clubs in operation to understand the scope of the responsibility of operating an IRS tax exempt organization?
6. Have parents conferred with the campus principal/sponsor to obtain support for the formation of a PO/Booster Club?
7. Do you want to form a PTA or an independent parent organization/booster club referenced in the guidelines? *PTAs are chapters of a national organization, and their formation is outlined by the national PTA.*

How to Become a Tax-Exempt Organization

Complete a Parent Organization and Booster Club Information Form to form a Parent Organization or Booster Club, submit a copy of the form to the Chief Financial Officer, and complete the following steps to establish the organization: *(If you are forming a PTA, please contact the state level PTA office www.txpta.org)*

Establish a Steering Committee to set up the organization. Members of the steering committee are not PO/Booster Club officers until they are elected at a general membership meeting. *Refer to Appendix B for additional information on steering committees.*

Determine official mailing address of the PO/Booster Club. A post office box or private mailing box is recommended to avoid frequent changes. The address and box keys are easily passed to newly elected officers. Address changes must be reported to BISD, Texas Secretary of State, Texas Comptroller's Office, IRS and the organization's financial institution.

The school's address may be used as the PO/Booster Club's official address; however, the PO/Booster Club may not receive mail timely when the school is closed (i.e., summer vacation and holidays).

Draft and approve the PO/Booster Club bylaws. The Steering Committee must approve the bylaws to allow the group to proceed with applying for incorporation with the State and applying for tax exemption with the IRS.

All Booster Clubs formed to support extracurricular activity (athletic, academic, music, cheerleading) must have bylaws that address all the topics listed in the UIL Guidelines. Bylaws must address:

- organizational structure
- method to elect officers
- maximum consecutive term of officers
- rules of membership
- frequency, publication and rules of conducting meetings
- organization's fiscal year
- that no officer can hold multiple office positions at the same time
- that any employees of the district shall not serve in a financial capacity of any kind
- dissolution of the organization.

Refer to Appendix C for additional information and an example draft of bylaws.

File for incorporation with the Texas Secretary of State. Complete Form 202 (Certificate of Formation for a Nonprofit Corporation) and submit it to the Texas Secretary of State. Read the Nonprofit Organizations FAQs for forming a nonprofit tax-exempt corporation in Texas.

Hold a membership drive and inform parents of PO/Booster Club meetings. The general membership should approve the establishment of the PO/Booster Club, approve the organization's bylaws and elect officers at the first meeting.

- Only active members in good standing are permitted to hold office or vote.
- No officer shall be permitted to hold more than one office at the same time.
- District staff may not hold an officer position that has financial capacity.
- At a minimum, the organization must elect the following officers: president, vice-president, secretary and treasurer.

Refer to Appendix D for additional information on the role of officers.

Apply for an Employer Identification Number (EIN) with the IRS. Go to irs.gov for EIN application instructions. The EIN can be requested prior to the first membership meeting to open the PO/Booster Club bank account.

Open a bank account using EIN. If the bank account is opened prior to the election of officers, the Steering Committee members may be signers on the account. *At least two authorized signers are required on the bank account.*

PTOs, PTAs, PTSOs and PTSAs Apply for an exemption from Texas sales tax, hotel occupancy tax and franchise tax. Complete Form AP-207, Texas Application for Exemption-Educational Organization.

PTOs, PTSOs, PTAs and PTSAs are not covered by the district's exempt status. But they can apply to the Texas Comptroller for their own state tax exemption. These organizations are eligible for sales and franchise tax exemptions. Once approved, the organization will receive a letter or email notification, with links to print the exemption certificate Form 01-339, Texas Sales and Use Tax Resale Certificate, to present to vendors to buy tax-free goods and services that further the organization's exempt purpose.

Booster Clubs Apply for an exemption from Texas sales tax, hotel occupancy tax and franchise tax. Booster Clubs cannot apply for state exemptions until a 501(c)(3) exemption is obtained from the IRS.

A booster club with a 501(c)(3) federal exemption should complete Form AP-204, Texas Application for Exemption – Federal and All Others

Apply for a Sales Tax Permit (*if required*) using the Texas Comptroller's Office Sales Tax Permit Application process. If the PO/Booster Club will not be selling any taxable items or services, the organization does not need to obtain a Texas Sales Tax Permit.

Apply for federal tax exemption as a public 501(c)(3) organization with the IRS – by visiting the application for recognition of exemption webpage at IRS.Gov.

Use Form 1023-EZ – if:

- Annual gross receipts will not exceed \$50,000 in any of the next 3 years
- Annual total fair value of all assets (cash, accounts receivable, inventories investments, land, buildings, equipment) is less than \$250,000

Use Form 1023 – if:

- Annual gross receipts will exceed \$50,000 in any of the next 3 years
- Annual total fair value of all assets (cash, accounts receivable, inventories investments, land, buildings, equipment) is greater than \$250,000

Upon acceptance of the organization's exempt status by the Internal Revenue Service, a Determination Letter will be received as evidence of approval of exempt status, approximately 4-6 months after the initial application. This letter should be kept in a permanent safe place to be used to prove the organization's exempt status.

PO/Booster Clubs are strongly encouraged to consider purchasing a general liability policy, and officer's liability policy. All the documents listed above should be retained in a "permanent file" and electronic file to be passed down at the installation of each new Board of Officers. A shared electronic file is suggested to allow all officers access to these important documents.

Dissolution of an Organization

To dissolve an organization, a resolution shall be adopted by the executive board stating that the question of such a dissolution be submitted to a vote at a special meeting of the members having voting rights. At least 30 days prior to the meeting, written or printed notice shall be given to each member entitled to vote stating that the purpose of such meeting is to consider the advisability of dissolving the organization.

The organization must determine the distribution and usage of its remaining funds and other assets before dissolution. To comply with Internal Revenue Service guidelines, care should be taken to ensure that excess funds are distributed within the framework of the organization's original purpose – i.e. band booster funds would remain with the band or related program(s) at the supported campus. Any other distribution of funds could void the organization's tax-exempt status and force it into a fully taxable situation.

As stated in an earlier section, the district's designee for overseeing the activities of parent organizations and booster clubs is the principal of the campus where the organization functions. The principal shall have the authority to discontinue the association of any school program with a parent or booster organization that has been judged by the principal to be disruptive to the educational activities or goals of the program or group.

12

Federal & State Tax Filing Requirements

FEDERAL TAX

Filing Federal Form 990 Return for Tax Exempt Organizations

Every parent organization or booster club that is exempt from federal income tax is required to file an annual Form 990 Return of Organization Exempt from Income Tax Return. The return is due on the 15th day of the 5th month after the close of the organization's fiscal year.

- **Form 990-N (e-Postcard)** – is filed electronically. Small tax-exempt organizations are generally eligible to file Form 990-N to satisfy their annual reporting requirement if their gross receipts are normally \$50,000 or less.
- **Form 990-EZ** – is required to be filed for organizations with annual gross receipts are more than \$50,000 but less than \$200,000 and total assets are less than \$500,000.
- **Form 990** – is required to be filed for organizations with annual gross receipts equal to or greater than \$200,000 and total assets equal to or greater than \$500,000.

Organizations are required to file one of the applicable information returns noted above on an annual basis. Failure to file for three consecutive years will result in the revocation of the organization's tax-exempt status as of the filing due date of the third year.

Reinstatement of Tax-Exempt Status

The IRS is prohibited by law from undoing an automatic revocation and does not provide for an appeal process. Organizations whose tax-exempt status was automatically revoked for failure to file Form 990 series returns for three consecutive years can apply for reinstatement of tax-exempt status.

1099 Requirements

Internal Revenue Service guidelines require that all payments for services more than \$600 made to an individual by a booster organization be reported on a form 1099 on an annual basis. The organization should secure an IRS form W-9 from the worker/provider at the time of service to ensure that the organization has an accurate record of the taxpayer identification number. The organization must then issue a form 1099 to all qualifying vendors performed in the calendar year by January 31st. The Internal Revenue Service website should be accessed for appropriate 1099 reporting requirements and forms.

STATE TAX

State Sales Tax Exemption

Please be advised that PTOs, PTSOs, PTAs, PTSAs, and Booster Clubs are separate legal entities and are not covered by the district's sales tax exemption. These organizations may not use the district's tax ID or the exemption of any other club.

- All clubs must apply for and be approved by the Texas Comptroller for their own state sales tax exemption.
- Once approved, organizations are exempt from state sales, hotel occupancy, and franchise taxes. Note that local city sales and hotel taxes are not exempt.
- Upon approval, the Comptroller will provide notification and links to [Form 01-339 Texas Sales and Use Tax Exemption Certification](#). This certificate must be presented to vendors to purchase goods and services tax-free, provided they further the organization's exempt purpose.

*THE EXEMPTION FROM SALES TAX IS FOR ITEMS THAT AN ORGANIZATION PURCHASES,
NOT FOR THE ITEMS IT SELLS.*

State Sales Tax Exempt Purchases Requirements

To maintain valid tax-exempt status, all purchases made by the organization must adhere to the following Texas Comptroller requirements:

- **Exempt Purpose:** Purchases must directly relate to the organization's primary mission and exempt purpose.
- **Prohibition on Personal Items:** Employees and volunteers are strictly prohibited from purchasing personal items tax-free. This applies even when traveling on official business or if the individual intends to seek reimbursement.
- **Payment Method Requirements:** To qualify for a tax exemption, the transaction must be made using the organization's funds (e.g., a corporate check or credit card).
- **Reimbursement Rule:** If an individual uses personal funds (cash, personal check, or personal credit card) to buy an item, the transaction is taxable, even if the organization later reimburses the individual for the expense.

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Tax-Exempt Purchasing Process

In order to use your tax-exempt status to make purchases, there is a process that must be followed.

Verify Vendor Acceptance - Before making a purchase, you need to confirm the vendor accepts the Texas Sales and Use Tax Exemption Certification (Form 01-339). Most major retailers require the form to be on file or presented at the time of checkout.

Complete the Certificate - The authorized purchaser must provide a completed and signed Form 01-339 to the vendor. The form must include:

- The organization's name and address.
- The organization's 11-digit Texas Taxpayer Number.
- A description of the items being purchased and how they further the organization's exempt mission.

Payment must be made from an official organizational account.

- Accepted: Organization credit card, debit card, or check.
- Not Accepted: Personal credit card, cash, Venmo/Zelle accounts.

Travel - State Hotel Occupancy Tax: To be exempt from the 6% State portion of hotel tax, members must present a Texas Hotel Occupancy Tax Exemption Certificate, Form 12-302 at check-in.

- Local Taxes: Note that local city and county sales and hotel taxes are not exempt and must be paid as required by the municipality.

Record Keeping - The Treasurer must keep a copy of the specific exemption certificate used for every transaction, attached to the corresponding receipt or invoice, for a minimum of four years to satisfy potential state audits.

If a seller chooses not to accept an exemption certificate, ask the seller to provide a properly completed Assignment of Right to Refund so the organization can request a refund of the tax directly from the Comptroller.

Taxable Purchases

Almost all sales, lease or rental of tangible personal property (physical goods) and specific taxable services. A PTO or Booster Club, having a tax exemption means you do not pay the 6.25% state sales tax on these items—provided they are bought with organization funds to further your exempt mission

Common Taxable Items - Most physical items sold in a retail environment are taxable. Common examples for school organizations include:

- **School & Office Supplies:** Paper, pens, binders, folders, and staplers.
- **"Spirit Wear" & Clothing:** T-shirts, hoodies, hats, uniforms, and costumes.
- **Event Supplies:** Decorations, balloons, paper plates, napkins, and plastic cutlery.
- **Electronics:** Computers, printers, tablets, cameras, and software (including SaaS/subscriptions).
- **Furniture & Equipment:** Desks, chairs, storage bins, and sports equipment.
- **Books & Media:** Printed books, magazines, and educational DVDs.
- **Toiletries & Cleaning Supplies:** Hand sanitizer, tissues, and cleaning sprays.

Taxable Services

Texas also taxes several types of services that clubs often utilize, such as:

- **Amusement Services:** Tickets to movies, concerts, carnivals, or sporting events.
- **Information & Data Processing:** Website hosting, database subscriptions, and professional research.
- **Printing & Copying:** Professional printing of newsletters, flyers, or banners.
- **Landscaping & Janitorial:** Professional cleaning of facilities or lawn maintenance
- **Repairs & Maintenance:** Repairing club-owned equipment or electronics.

Taxable Food

Food is the most complex category in Texas tax law. Whether it is taxable depends on how it is sold:

Item Type	Taxable Status	Examples
Grocery Staples	Exempt	Flour, sugar, fruit/vegetables, milk, eggs, water
Bakery Items	Exempt	Cookies, cakes, donuts
Prepared	Taxable	Hot pizza, deli sandwiches, ready-to-eat meals
Candy & Soda	Taxable	Chocolate bars, gum, carbonated soft drinks

Collection and Remittance of Sales Tax

While parent organizations and booster clubs are exempt from paying sales tax on purchases, they are required by law to collect and remit sales tax on the sale of taxable items (e.g., spirit wear, yearbooks, or prepared food sold outside of school-sanctioned events). Even if you are a tax-exempt nonprofit, you must have a Sales Tax Permit if you sell taxable goods. The following is the step-by-step process for collecting and remitting sales tax:

1. **Obtain a Sales Tax Permit** - Apply online through the [Texas Comptroller eSystems](#) or print [AP-201 Texas Application for Sales and Use Tax Permit](#) from the webpage and mail it to the Comptroller's office at: Comptroller of Public Accounts, 111 E. 17th St., Austin, TX 78774-0100.
 - You must display the permit. Retain the sales tax permit in a permanent folder for events when taxable items are sold.
2. **Collect the Tax** - When you sell an item, you must collect the combined state and local sales tax of 8.25% (State= .0625 / County= .005 / City= .015). Sales tax must be separately stated on the receipt as a line item or a written statement to the consumer, for example *"Texas state and local sales tax is included in the sales price."*

Here is a breakdown of the two calculation methods that are used:

- **Line-item Sales Tax** - Multiply 8.25% by the cost of an item. [e.g., \$20 price of T-shirt X .0825 = \$1.65 tax for a total of \$21.65]
- **Sales Tax Included In Price** - Divide the price of an item by (1 + .0825) = sales price of the item [\$20/1.0825 = \$18.48]. Then subtract the price of the item from the sales price of the item [\$18.48 - \$20 = \$1.52]. The T-shirt price was \$18.48 and \$1.52 in tax collected.

Line-Item Sales Tax:

T-shirt price	\$ 20.00
State & local tax rate	8.25%
Sales tax	\$ 1.65
Sales price	<u>\$ 21.65</u>

Sales Tax Included In Price:

T-shirt price	\$ 20.00
State & local tax rate + 1	1.0825
Sales price	\$ 18.48
T-shirt price	\$ 20.00
Sales tax	<u>\$ 1.52</u>

Determine Filing Frequency - Once you receive your permit, the Comptroller will assign you a filing schedule based on your expected volume. If you're not sure whether you should file monthly, quarterly, or yearly, contact the Comptroller's office at 800-252-5555.

Yearly	Less than \$1,000 in tax collections
Quarterly	Most small-to-midsize clubs
Monthly	High-volume organizations

Standard Quarterly Filing Deadlines

Quarter 1 (Jan-Mar) - Due April 20

Quarter 2 (Apr-Jun) - Due July 20

Quarter 3 (Jul-Sep) - Due Oct 20

Quarter 4 (Oct-Dec) - Due Jan 20

File and Remit Sales Tax - Returns must be filed or postmarked on or before the 20th day of the month following the end of the reporting period. If the due date falls on a weekend or holiday, the next business day will be the due date. You must file a return even if you had zero taxable sales during that period.

- **Log In** - Use the Comptroller's WebFile system or,
- **Mail** - Completed Form 01-117, Texas Sales and Use Tax Return - Short Form to the Texas Comptroller at: Comptroller of Public Accounts, P.O. Box 149355, Austin, TX 78714-9355. Refer to Form 01-922, Instructions for Completing Texas Sales and Use Tax Return.
- **Report Totals** - Enter your Total Sales and your Taxable Sales.
- **Calculate** - The system will calculate the tax due.
- **Timely Filing Discount** - If you file and pay on time, you can keep 0.5% of the tax you collected
- **Pay** - You can pay via electronic check (ACH) or credit card

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Sales Tax Collection Exceptions

There are several loopholes where parent organizations and booster clubs are not required to collect sales tax.

Two One-day, Tax-Free Sales – an exempt organization may have two one-day, tax-free sales or auctions each calendar year (January through December). During a tax-free sale day, the organization is not required to collect tax on the sales price of taxable items.

A one-day, tax-free sale day (24 consecutive hours) is either:

- **The day the vendor delivers the items to the exempt organization; or**
- **The day the exempt organization delivers the items to its customers.**

Customers buying from surplus inventory on the designated day do not owe tax. For example, a school can sell old yearbooks on the same designated day they are distributing the new yearbooks and not collect sales tax. Extra yearbooks sold outside of those days are taxable.

If two or more organizations hold a tax-free sale together, the event counts as one tax-free sale for each participating group. Each organization that participates in the joint tax-free sale can hold one additional tax-free sale during that calendar year.

An organization can hold its two tax-free sales back-to-back for a maximum of 48 consecutive hours. For example, a sale could last from noon Friday until noon Sunday.

This exemption does not apply to any items sold for more than \$5,000, unless the exempt organization made the item or it was donated to the organization and not sold back to the donor.

To purchase taxable items tax free for resale during the tax-free sales days, the organization can either give the seller a resale certificate (if it has a sales tax permit) or an exemption certificate.

Use of a Fundraising Company - Sometimes a school, parent-teacher group, booster club or other exempt organization raises funds by entering into an agreement with a fundraising company to sell taxable items, such as wrapping paper, gifts, candles or candy, and receives money for their exempt school organization use.

The exempt school organization markets the items, collects the money and forwards to the fundraising company an agreed-upon portion of the money collected, and all the sales tax collected. The fundraising company is the seller, in this case, and not the exempt school organization. These types of sales do not qualify as a tax-free sale, and the fundraising company must collect, report and remit the sales tax. The exempt school organization is not required to use their tax-free sale day or responsible for reporting or remitting sales tax since they are not considered the seller.

Food and Beverage Sales

- **During the School Day** – parent organizations and booster clubs do not have to collect tax on sales of meals and food products, including candy and soft drinks, if the sales are made during the regular school day and by agreement with the school principal and School Nutrition Director. This exemption includes food, soft drinks and candy sold through vending machines.
- **Outside the School Day** – parent organizations and booster clubs may also sell meals, food, candy or soft drinks tax free outside of the school day if the sales are part of the organization’s fundraising drive and all net proceeds go to the group for its exclusive use.

NON-TAXABLE SALES

- | | |
|--------------------------|---|
| • Magazine Subscriptions | • Gift Certificates & Promotional Discounts |
| • Amusement Services | • Membership Fees & Dues |
| • Reading Materials | • Advertising |
| • Concerts | • Athletic Events |
| • School Dances | • Theatre Productions |

Sales to Students

Parent organizations, booster clubs and school districts must collect sales tax on taxable items or services sold to their students. For example, if a school sells uniforms, gloves and shoes to drill team members, it must collect tax on the sales, unless it designates the sale as part of its tax-free sales day. An organization can hold the two tax-free sales back-to-back for a maximum of 48 consecutive hours during which they are not required to collect sales tax.

Online Sales

Online sales of taxable items are treated the same as sales made at the school or at any other sales location.

Unless an exemption applies, parent organizations and booster clubs that accept online orders must collect sales tax on taxable items they sell online. An online sale during a one-day, tax-free sale qualifies for the exemption.

TAXABLE AND NON-TAXABLE SALE EXAMPLES	
TAXABLE	NON-TAXABLE
Renting items such as locks, musical instruments, calculators and computers	Renting space such as a gymnasium, auditorium, library or cafeteria
Horticultural products such as flower arrangements, roses, carnations, holiday greenery and poinsettias	Agricultural products (plants and seeds), or products that normally constitute human food
Cosmetology products such as shampoo, conditioner, and nail polish sold to customers	Cosmetology services such as haircuts, shampoo, manicures and pedicures
Parking permits for the general public	Campus parking permits for public school students, faculty and staff
Pets, such as hamsters, mice, cats and dogs	Livestock, such as pigs, cows, chickens, sheep and goats
Publications such as football, basketball or volleyball programs	Advertising space in athletic programs, yearbooks or newspapers
Automobile repair parts	Automobile repair (depends on contract/invoice) • A lump-sum charge for parts and labor is not taxable • A separately stated charge for parts is taxable; a separately stated charge for repair labor is not taxable
Bumper stickers and decals	Car wash

Franchise Tax Exemption

All corporations in Texas—both for-profit and nonprofit—are required to file annual franchise tax and public information reports. You must continue to file these reports and submit any necessary payments until the Texas Comptroller's Office officially grants your organization a tax exemption.

Failure to follow these filing requirements can lead to the loss of corporate privileges as well as the forfeiture of charter by the Texas Secretary of State.

A common misconception is assuming that federal tax exemption covers state taxes. While a Determination Letter from the IRS granting 501(c)(3) designation makes you eligible for federal tax relief, Texas franchise tax exemption is not automatic. You must apply for exemption through the Texas Comptroller's Office by completing Form AP-204, Texas Application for Exemption – Federal and All Others.

To ensure you receive critical legal correspondence, you must notify the Texas Comptroller's Office immediately if your mailing address changes.

To avoid frequent mailing address changes, the Texas Comptroller's Office recommends that each club obtains its own post office box (PO Box) or private mailing box to be used for official club mail. In addition, the post office box address and keys can be given easily to the new officers at the beginning of each year.



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Reporting Requirements

Beginning with the 2024 report year, a taxable entity whose annual total revenues are less than or equal to the “No Tax Due Threshold” is not required to file a No tax Due Report. However, the entity is required to file Form 05-102, Public Information Report.

Submit Form 05-102, Public Information Report via web file or mail to:
Texas Comptroller of Public Accounts
P.O. Box 149348
Austin, TX 78714-9348

Due Dates

The annual franchise tax report is due May 15th or the next business day if May 15th falls on a weekend or holiday.

Threshold Limits

Franchise thresholds, deduction limits and tax rates vary by report year. The “No Tax Due Threshold” limitation for report years 2026 and 2027 is \$2,650,000.

Franchise Reporting Exemption

Upon receiving official franchise tax exemption from the Texas Comptroller’s Office via Form AP-204, your organization is exempt from filing the annual Public Information Report (Form 05-102) and is no longer subject to the reporting requirements mentioned above.

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Appendices

Belton ISD Links

[Business Service Webpage](#)

[Belton ISD Wellness Plan](#)

[Volunteer Register System](#)

[Fundraiser Quick Reference Guide](#)

[Parent Organization and Booster Club webpage](#)

[Fundraising Activity Application](#)

[Parent Organization and Booster Club Information Form](#)

Board Policy

[CDC\(Legal/Local\)](#)

[DBD\(Local\)](#)

[FFA\(Local\)](#)

[GE\(Local\)](#)

[GKB\(Local\)](#)

Secretary of State Links

[Form 202](#)

[Nonprofit Organizations FAQs](#)

IRS Links

[1099 Reporting Requirements](#)

[EIN Application Instructions](#)

[Federal 501\(c\)\(3\) Application](#)

[Reinstate Tax Exempt Status](#)

Texas Comptroller Links

[Form AP-201](#)

[Form AP-204](#)

[Form AP-207](#)

[Form 01-117](#)

[Form 01-339](#)

[Form 01-922](#)

[Form 05-102](#)

[Form 12-302](#)

[Sales Tax Permit Application](#)

[Texas Comptroller eSystems](#)

Other Links

[Administrator's Reference Manual \(ARM\)](#)

[Charitable Raffle Enabling Act \(CREA\)](#)

[Raffle Qualifications](#)

[Texas Department of Agriculture - Square Meals](#)

[UIL Constitution and Contest Rules](#)

[UIL Guidelines](#)

Smart Snacks in Schools

(All Foods Sold in Schools)

Smart snacks in schools is a collaborative effort between the USDA and the US Dept of Education. This cooperative strategy extends to the school level where school food service professionals, school administrators, teachers, sports teams, clubs and parent organization work to create healthier communities. Smart Snacks supports healthy living and learning with standards for foods and beverages sold in schools during regular campus hours.



Smart Snack Objectives

- Establish guidelines that limit calories and specific nutrients in food and beverages
- Ensure food and beverages offer nutritional benefits
- Set appropriate standards for individual age/grade group
- Create flexibility for local and state oversight



When do competitive foods regulations apply?

Food and/or beverages sold during the school day on the school campus.

- School Day: the period from the midnight before the beginning of the official instructional day to 30 minutes after the end of the official instructional day
- School Campus: all areas of the property under the jurisdiction of the school that are accessible to students during the school day



TEXAS DEPARTMENT OF AGRICULTURE
COMMISSIONER SID MILLER

Fraud Hotline: 1-866-5-FRAUD-4 or 1-866-537-2834 | P.O. Box 12847 | Austin, TX 78711
Toll Free: (877) TEX-MEAL | For the hearing impaired: (800) 735-2989 (TTY)



Food and Nutrition Division
National School Lunch Program

This product was funded by USDA.
This institution is an equal opportunity provider.



Updated 2/4/2022
www.SquareMeals.org

Smart Snacks in Schools

(All Foods Sold in Schools)

FOOD AND BEVERAGE NUTRITION STANDARDS

- Calories, sugar, fat and salt limit in all schools
- Water, low-fat or fat-free milk and 100% fruit or vegetable juice allowed in all schools
- Low calorie beverages allowances for high schools
- Caffeine allowances for high schools

FUNDRAISER STANDARDS

Smart snacks nutrition standards apply to all fundraiser foods and beverages except:

- Food and beverages sold outside of the school day
- Foods not intended for consumption at school

[Click here for Alliance for a Healthier Generation Smart Snacks Product Calculator](#)

EXCEPTIONS INCLUDE

- Accommodating students with special needs
- Competition locations and other events are exempt if a SNP meal is not provided as part of the event
- Food and/or beverages brought from home or food given to students
- Food and/or beverages ordered and paid for off campus such as a delivery services
- Supporting students' nutritional needs outside of the school day such as a weekend backpack program

OTHER EXEMPTIONS INCLUDE

- Entrees offered as part of a reimbursable meal are exempted from standards the same day or the next operating day after being served as part of a reimbursable meal
- Fruits and vegetables

FUNDRAISERS

Schools may have up to six fundraiser (6) days per school year per campus that do not meet the competitive food nutrition standards. Food and/or beverages sold during an exempt fundraiser must not be sold in competition with school meals in the food service area during school meal service. Concession stands must meet smart snack standards if the sale occurs during the school day.



TEXAS DEPARTMENT OF AGRICULTURE
COMMISSIONER SID MILLER

Fraud Hotline: 1-866-5-FRAUD-4 or 1-866-537-2834 | P.O. Box 12847 | Austin, TX 78711
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Food and Nutrition Division
National School Lunch Program

This product was funded by USDA.
This institution is an equal opportunity provider.



Updated 2/4/2022
www.SquareMeals.org

Smart Snacks in Schools

(All Foods Sold in Schools)

DOCUMENTATION FOR COMPETITIVE FOODS

- CN Labels
- Forms or records indicating portion sizes and number of serving
- Invoices
- Manufacturer Product Formulation Statement
- Menus Nutrition Value Calculations
- Nutrition Fact Labels
- USDA Food Fact Sheets



Contact your ESC Child Nutrition Team:

<https://squaremeals.org/About/EducationServiceCenters.aspx>

Section 22. Competitive Foods of the Administrator's Reference Manual:

<https://squaremeals.org/Programs/NationalSchoolLunchProgram/PolicyARM.aspx>

USDA's A Guide to Smart Snacks in Schools:

<https://www.fns.usda.gov/tn/guide-smart-snacks-school>

Alliance for a Healthier Generation Smart Snacks Product Calculator:

<https://foodplanner.healthiergeneration.org/calculator/>



TEXAS DEPARTMENT OF AGRICULTURE
COMMISSIONER SID MILLER



Food and Nutrition Division
National School Lunch Program

Fraud Hotline: 1-866-5-FRAUD-4 or 1-866-537-2834 | P.O. Box 12847 | Austin, TX 78711
Toll Free: (877) TEX-MEAL | For the hearing impaired: (800) 735-2989 (TTY)

This product was funded by USDA.
This institution is an equal opportunity provider.



Updated 2/4/2022
www.SquareMeals.org

APPENDIX B – STEERING COMMITTEES

New schools or high school clubs may use a steering committee to facilitate the formation of a new PO/Booster Club. For Parent Organizations, the steering committee should be comprised of the principal and a representative group of parents whose students are/will be attending the school. For Booster Clubs, the steering committee could be comprised of the sponsor (teacher or coach) and several parents who have children that participate or will participate in the school activity for which the Booster Club is being formed.

The steering committee may:

2. Draft and approve bylaws.
3. Have a membership drive.
4. Promote volunteer recruitment.
5. Recruit a slate of proposed officers.
6. Draft a preliminary budget.
7. Hold the first general membership meeting to re-approve the bylaws and elect the officers.

During the membership drive and prior to the general membership meeting, the bylaws and slate of proposed officers should be available for public viewing for a reasonable time period.

I. Membership

Membership is open to individuals who are parents, guardians, stepparents, or grandparents of a student at the school (POs) or of a student active in the sponsored program (Booster Clubs) who are current in their dues. PO membership is also open to teachers and to individuals from a business partner or community organization that is involved in the Adopt-a-School Program. Only active members should have the ability to vote or hold an office. Other individuals may volunteer for the PO/Booster Club but cannot vote or hold an office. “Members” should be defined in the PO/Booster Club bylaws.

II. Membership Dues

POs/Booster Clubs may charge membership fees to their members; however, parents and teachers **do not** have to be members of the PO/Booster Club for their child(ren) or students to receive benefits from PO/Booster Club activities. The amount of membership fees should be voted on by the PO/Booster Club Board of Officers.

APPENDIX C - BYLAWS

Bylaws are the governing document for the Parent Organization or Booster Club. They outline the philosophy, structure, and general procedures of the organization. The bylaws are formulated as a series of “articles,” each dealing with one aspect of the outline.

Each PO’s/Booster Club’s bylaws should specify:

- A. **Name of Organization**
- B. **Purpose:** define the charitable purpose of the organization. The organization needs to make sure the purposes clause is not so narrow that it unduly limits the organization’s activities, and not so broad that it prevents the organization from obtaining 501(c)(3) exemption from the IRS. **
- C. **Meetings:** the frequency and place of meetings, the type of notice required, and whether directors may vote by written proxy.
- D. **Leadership:** the titles and specific responsibilities of the officers, qualifications for directors, the number of directors, the length of terms for the directors and officers, and the method for electing and removing directors and officers. The corporation must have a president, treasurer, and secretary.
- E. **Provisions for Membership:** qualifications for membership, method of selection, dues and fees, voting rights, and the frequency and place of membership meetings.
- F. **Quorum:** the number of members or directors required for a quorum to conduct business, and the proportion of votes required to take action on a matter (pursuant to Texas law, an act of the board is an act of the majority of the directors present unless a greater number is required by the certificate or bylaws).
- G. **Financial Policies/Controls:** the signatures required for execution of legal documents, signatures required for checks, accounting method (i.e., cash or accrual), number of authorized signers on the bank account(s), and other controls over financial transactions and transfers of corporate assets.
- H. **Committees:** the types of committees, responsibilities of committees, and qualifications for serving on a committee.
- I. **Fiscal Year:** the accounting period of the organization, which does not have to be the calendar year.
- J. **IRS Language:** special clauses that relate to (i) the dissolution of the nonprofit, (ii) “inurement,” and (iii) a general statement that the corporation may not take action that would be inconsistent with the requirements for tax exemption under Section 501(c)(3). It must be stated that, upon dissolution, any remaining assets will be distributed to other exempt organizations under Section 501(c)(3). *
- K. **Bylaw Amendments:** the procedures for amending the bylaws. Amendments may be adopted by the Board, but in most cases, require a two-third vote of the members at a general meeting. Prior notice of the proposed amendment is always required, either at

the previous meeting or at least a certain number of days before the vote. A committee may be appointed to write a revised set of bylaws. This usually requires a vote at a general meeting but may also be allowed by a two-thirds vote of the Board. Requirements for adopting the revised set of bylaws should be the same as for an amendment.

*Denotes articles required by the IRS.

**Denotes articles required by the Secretary of State.

EXAMPLE DRAFT OF BYLAWS

BYLAWS of [Insert Booster Club Name] (A Non-Profit Corporation)

Article I Name and Location

- 1.01. The name of this organization shall be (insert booster club name).
- 1.02. All club meetings may be held at such places within the Belton Independent School District (BISD) as designated by school administration and club officers.

Article II Purpose and Structure

- 2.01 Purpose: This organization is organized and operated for the charitable and educational purposes as defined in Section 501(c)(3) of the Internal Revenue Code. The purposes of the organization include raising funds and purchasing personal property and services to be used by students and faculty of [Insert Name of Group Supporting], providing volunteers for educational and extracurricular activities, engaging in other charitable, civic, or educational activities that will contribute to the public education of the community; and exercising other powers conferred by the laws of Texas on nonprofit corporations.

This Booster Club shall be self-governing, self-supporting, non-commercial, non-sectarian, nonprofit and nonpartisan, and shall seek neither to direct the administrative activities of the Belton Independent School District nor to control its policies.

No part of the net earnings of the Booster Club shall inure to the benefit of, or be distributable to, its members, trustees, officers, or other private persons, except that reasonable compensation may be paid for services rendered to or for the organization affecting one or more of its purposes. No member, officer, or private individual shall be entitled to share in the distribution of any of the corporate assets on the dissolution of the Booster Club. No substantial part of the activities of the Booster Club shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the Booster Club shall not participate in, or intervene in (including the publication of statements) any political campaign on behalf of any candidate for public office.

The Booster Club shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue code and Regulations as they now exist or as they may be amended.

The Booster Club shall observe the following regulations: Belton Independent School District Booster Club Guidelines, University Interscholastic League Booster Club Guidelines and all local, state, and federal laws which apply to nonprofit organizations.

Upon dissolution of this organization, assets shall be distributed exclusively to charitable organizations which would then qualify under the provisions of Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may be amended.

The Booster Club is organized pursuant to the Texas Nonprofit Corporation Act and does not contemplate pecuniary gain or profit and is organized for nonprofit purposes which are consistent with the provisions of Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may be hereafter amended.

Article III

Membership

- 3.01 Membership: Membership in this organization is open to any person who is a parent/guardian of a child or children who participate in the **[Insert Name of Group Supporting]**, and who will uphold the policies of this organization and agree to its Bylaws. A maximum of one membership shall be granted to each family unit.
- 3.02 Rights and Responsibilities: The members shall have the right and responsibility to attend meetings and events sponsored by the organization, serve on committees and be nominated and elected to office. Voting members shall have the right to vote for the officers, review and approve the annual budget and approve amendments to these Bylaws.
- 3.03 Quorum: The members present at any membership meeting of the organization, provided at least **(X)** number of members are present, shall constitute a quorum for the transaction of business. In the absence of a quorum, the members may not take action. In that event, any matter brought before the membership, at the meeting at which a quorum is not present, shall be discussed and decided by the Executive Board.
- 3.04 Meetings: There shall be at least one general annual meeting of the membership in (MONTH) at which the officers are elected. Such additional business or special meetings may be held alone or in conjunction with an event sponsored by the organization as is determined by the Executive Board or at the request of twenty (20) or more members in writing to the Executive Board.

Article IV

Executive Board

- 4.01 Qualification. The Executive Board shall consist of the elected officers of the organization. Any member in good standing is eligible to serve on the Executive Board.
- 4.02 Authority: The affairs, activities, and operation of the organization shall be managed by the Executive Board. The Executive Board shall transact necessary business during the intervals between the meetings of the membership and such other business as may be referred to it by the membership or these Bylaws. It may create Standing and Special Committees, approve the plans and work of standing and special committees, prepare and submit a budget to the membership for approval, and, in general, conduct the business and activities of the organization.
- 4.03 Compensation. No officer shall receive compensation for any service he or she may render to the organization. Board members may be reimbursed for actual expenses incurred in the performance of their duties.
- 4.04 Officers. Officers shall be elected at the last general business meeting at the end of each season and will take office immediately. The Nominating Committee will name a slate of officers and the floor will also be open for nominations. The officers will be elected by simple majority of the membership present. Vacancies of offices of unexpired terms shall be filled by appointment by a majority of the remaining officers. The officers and their respective duties are as follows:
- a. **The President shall:**
 - Regularly meet with the designated district representative(s) regarding booster activities;
 - Preside at all meetings of the organization;
 - Resolve problems in the membership;
 - Regularly meet with the treasurer of the organization to review the organization's financial position;
 - Schedule annual audit of records or request an audit if the need should arise during the year;
 - Perform any other specific duties as outlined in the bylaws of the organization.
 - b. **The Vice President shall:**
 - Preside at meetings in the absence or inability of the president to serve;
 - Perform administrative functions delegated by the president;
 - Perform other specific duties as outlined in the bylaws of the organization.
 - c. **The Secretary shall:**
 - Report on any recommendations made by the Executive Board of the booster organization if such a governing board is defined by the bylaws;

- Record, create, and maintain the records of the minutes, approved bylaws, and any standing committee rules, current membership, and committee listing;
- Record all business transacted at each meeting of the association as well as any executive board meetings in a prescribed format;
- Maintain records of attendance of each officer;
- Conduct and report on all correspondence on behalf of the organization;
- Other specific duties as outlined in the bylaws of the organization.

d. The Treasurer shall:

- Serve as chairperson of the Budget and Finance Committee;
- Issue a receipt for all monies received and deposit said amounts on at least a weekly basis (daily if receipts on hand exceed \$250.00);
- Present a current financial report to the executive committee and general membership within thirty days of the previous month end;
- File a financial report with the BISD Business Services (or designee) by September 1st each year;
- Maintain an accurate and detailed account of all monies received and resolve any discrepancies with the bank immediately;
- File sales tax reports as required by the comptroller's office (monthly, quarterly, or annually);
- File annual IRS form 990 in a timely manner;
- Submit records to audit committee appointed by the organization upon request or at the end of the fiscal year;
- Other specific duties as outlined in the bylaws of the organization.

- 4.05 Term. Each elected officer shall serve a term of one (1) year or until a successor has been duly elected or appointed. Officers may be elected for up to two consecutive terms in the same office. No one may hold dual offices.
- 4.06 Meetings. The Executive Board shall provide for by resolution the time and place for the holding of at least one annual meeting of the Board, and of the additional regular meetings of the Board, without other notice than such resolution.
- 4.07 Notice. Notice of any special meeting of the Executive Board shall be given at least two days previously thereto by oral or written notice delivered personally or sent by mail or facsimile to each Director at his or her business address. Any Director may waive notice of any meeting, and the attendance of a Director at any meeting shall constitute a waiver or notice of such meeting.
- 4.08 Quorum. A majority of the Executive Board shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a quorum of the Board members is present at said meeting, a majority of the Board present may adjourn the meeting from time to time without further notice. The act of a majority of the Board present at a meeting at which a quorum is present shall be the act of the Executive Board.

- 4.09 Voting. Each qualified family unit, as described in Article Three, Section 1 of these Bylaws, shall have the right to cast one vote at any matter at any particular meeting. The decision of the majority of the voting members present at a meeting at which a quorum is established will be binding on the organization, unless provisions of these Bylaws require greater vote.
- 4.10 Proxy. No voting by proxy will be allowed.

Article V

Standing Committees

- 5.01 Nominating Committee. Meet to receive nominations for the elected offices of the organization and to prepare a slate of nominees and a ballot for the election of officers. The committee shall be made up of the President, the school sponsor (coach) and one at-large person appointed by the President.
- 5.02 Banquet Committee. Responsible for organizing and coordinating the planning and implementation of all activities associated with the annual awards banquet. The Vice President shall chair the committee and name its members as needed.
- 5.03 Fundraising Committee. Responsible for developing and managing fundraising projects. The President will chair the committee and name its members as needed.
- 5.04 Membership Committee. Distribute membership information and coordinate membership drive. The Vice President shall chair the committee and name its members as needed.
- 5.05 Scholarship Committee: Responsible for coordinating the scholarship application and selection process. The Treasurer shall chair the committee and name its members as needed.

Article VI

General Provisions/Finances

- 6.01 Operating Funds: Operating funds shall be maintained in a general fund, and an accounting of such funds shall be presented at all meetings.
- 6.02 Fiscal Responsibility: All Board members having fiscal responsibility shall be bonded.
- 6.03 Annual Statement: The Executive Board shall present at each annual meeting, or when called by vote of the members at any meeting, a full and clear statement of the financial condition of the organization.

- 6.04 Group Exemption: This nonprofit organization will qualify as a tax-exempt organization under the provisions of Section 501(c)(3) of the Internal Revenue code and its Regulations as they now exist.
- 6.05 Budget: The Executive Board shall present to the membership at the first regular meeting of the membership after the officers have been elected or as soon thereafter as practicable, a budget of anticipated revenue and expenses for the year. This budget shall be used to guide the activities of the organization during the year, including serving as approval for anticipated expenditures. Any substantial deviation from the budget must be approved in advance by the membership.
- 6.06 Obligations: The Executive Board may authorize any officer or officers to enter into contracts or agreements for the purchase of materials or services on behalf of the organization.
- 6.07 Loans: No loans shall be made by the organization to its officers or members.
- 6.08 Banking: The Treasurer shall deposit all funds of the organization to the credit of the organization in such banks, trust companies or other depositories as the Executive Board may select and shall make such disbursements as authorized by the Executive Board in accordance with the budget adopted by the membership. All deposits and/or disbursements shall be made as soon as practicable upon receipt of the funds and/or orders of payment.
- 6.09 Financial controls: The organization shall adopt appropriate financial controls to ensure the integrity of its funds. Specifically, without limitation, the organization shall maintain separation of financial controls so that, minimally:
- a. All expenses must be approved by membership by way of approval of an annual budget, or amendments thereto, or be approved by separate resolution of the Executive Board;
 - b. All checks, drafts, or other orders for the payment of money on behalf of the organization shall require two signatures and be signed by the Treasurer and by any other person as authorized in writing by the Executive Board. Checks shall bear notice of this requirement above the signature line as follows, **"Two signatures required."**
 - c. An officer or other person without check signing authority designated by the Board shall review all bank statements; and,
 - d. A committee of at least two (2) persons without check signing authority shall annually audit all corporate finances, or hire and supervise an outside accountant or auditing firm to conduct a review of corporate financial records.
- 6.10 Financial Report: The Treasurer shall present a financial report at each membership meeting of the organization and shall prepare a final report at the close of the year in accordance with the organization's financial policies. The Executive Board shall have the report and the accounts examined annually. If the organization grosses less than \$100,000 per year the financial practices and accounts may be reviewed by an internal audit committee. The internal audit committee shall consist of two or more board or voting members of the organization who are not involved in the routine handling of the organization's finances, including not having signature authority of bank accounts or approval authority over disbursements. If the organization grosses \$100,000 -

\$200,000 in receipts, an external professional, such as a Certified Public Accountant (CPA), shall be hired by the audit committee to perform a financial review of compilation. A full audit shall be conducted by an external CPA when annual gross receipts equal or exceed \$200,000.

- 6.11 Fiscal Year: The fiscal year of the organization shall be from September 1 to August 31 but may be changed by resolution of the Executive Board.
- 6.12 Record retention: All records of the organization shall be maintained and destroyed in accordance with law and standard record retention guidelines. Financial records shall be maintained as follows:

RECORD	HOW TO STORE	PERIOD OF TIME
Year-end Treasurer's financial report/statement	Store in corporate record book.	<u>Permanent</u>
Treasurer's reports, periodic	Compile & file records on a yearly basis.	<u>Three Years.</u> Store w/financial records. Destroy after three years.
Bank statements, canceled checks, check registers, invoices, receipts, cash tally sheets, investment statements, and related documents	Compile file records on a yearly basis.	<u>Seven Years.</u> Store w/financial records. Destroy after seven years.

Article VII

Conflicts of Interest

- 7.01 Existence of Conflict, Disclosure: Directors, officers, employees, and contractors of Corporation should refrain from any actions or activities that impair, or appear to impair, their objectivity in the performance of their duties on behalf of the Corporation. A conflict of interest may exist when the direct, personal, financial, or other interest(s) of any director, officer, staff member, or contractor competes or appears to compete with the interests of the Corporation. If any such conflict of interest arises, the interested person shall call it to the attention of the Executive Board for resolution. If the conflict relates to a matter requiring Board action, such person shall not vote on the matter. When there is a doubt as to whether any conflict of interest exists, the matter shall be resolved by a vote of the Executive board, excluding the person who is subject of the possible conflict.
- 7.02 Nonparticipation in Vote: The person having a conflict shall not participate in the final deliberation or decision regarding the matter under consideration and shall retire from the room in which the Board is meeting. However, the person may be permitted to provide the Board with any and all relevant information.

- 7.03 Minutes of Meeting: The minutes of the meeting of the Board shall reflect that the conflict was disclosed and the interested person was not present during the final discussion or vote and did not vote on the matter.
- 7.04 Annual Review: A copy of this conflict of interest statement shall be furnished to each director or officer, employee and/or contractor who is presently serving the corporation, or who hereafter becomes associated with the corporation. This policy shall be reviewed annually for information and guidance of directors and officers, staff members and contractors, and new officers and directors, staff members and contractors shall be advised of the policy upon undertaking the duties of their offices.

Article VIII Indemnification

Every member of the Executive Board, officer or employee of the Corporation may be indemnified by the corporation against all expenses and liabilities, including counsel fees, reasonably incurred or imposed upon such member of the Board, officer, or employee in connection with any threatened, pending, or completed action, suit, or proceeding to which she/he may become involved by reason of her/his being or having been a member of the Board, officer, or employee of the corporation, or any settlement thereof, unless adjudged therein to be liable for negligence or misconduct in the performance of his/his duties. Provide, however, that in the event of a settlement the indemnification herein shall apply only when the Board approves such settlement and reimbursement as being the best interest of the corporation. The foregoing right of the indemnification shall be in addition and not exclusive of all other rights which such member of the Board, officer, or employee is entitled.

Article IX Amendments

- 9.01 Amendments to Bylaws: These Bylaws may be altered, amended, or repealed, and new bylaws may be adopted by a majority of the Executive Board, provided that such alterations, amendments, or proposed substitute bylaws have been read or distributed to all Board members present at the previous regular meeting or such action may be made at a special meeting held at least ten days after the regular meeting in which the reading or distribution was made.
- 9.02 Amendments to the Articles of Incorporation: The Executive Board shall adopt a resolution setting forth any proposed amendment of the Articles of Incorporation, which, if approved by a majority of the Executive Board, shall be again submitted for a vote at the next regular meeting of the Executive Board.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting secretary of the (insert Booster Cub Name) and these Bylaws constitute the organization's Bylaws. The Bylaws were duly adopted at a meeting of the Executive Board held on _____, 2025.

Dated: ____/____/____

Secretary of the Booster Club

APPENDIX D – ROLE OF OFFICERS

At a minimum, the parent organization or booster club shall elect the following officers on an annual basis. Each officer should receive a copy of the Belton ISD Parent Organization and Booster Club Guidelines and follow the standards and protocols of the guidelines in carrying out their leadership roles while serving as an elected officer.

President

Typically, the president of a parent organization or booster club is an individual who has previously been active in the organization. Major duties include, but are not limited to, the following:

- Preside over all meetings of the organization
- Regularly meet with the designated campus representative (principal, coach, teacher) regarding organizational activities.
- Regularly meet with the treasurer of the organization to review the organization's financial position.
- Schedule annual audit of records or request an audit if needed, should a need arise during the school year.

Vice-President

The vice-president acts as the president's representative in their absence. They must remain familiar with the organization. The major duties include, but are not limited to, the following:

- Preside over meetings in the absence of the president
- Perform administrative functions delegated by the president.

Secretary

The secretary is responsible for keeping accurate records of the proceedings of the organization and reporting to the membership. The secretary must ensure the accuracy of the meeting minutes and have thorough knowledge of the organization's procedures. The major duties include, but are not limited to, the following:

- Report on any recommendations made by the board of officers of the organization.
- Maintain the records of the minutes and any standing committee minutes or rules, and current membership.
- Record all business activity and actions of each meeting.
- Conduct and report on all correspondence on behalf of the organization.

Treasurer

It is strongly recommended the treasurer has an accounting background. The treasurer is the authorized custodian of the organization's funds and financial resources. The treasurer disburses all monies authorized by the organization's board of officers and indicated in the budget. All persons authorized to handle funds of the organization should be covered by a fidelity bond in an amount based on the organization's annual income and determined by the board of officers. The major duties include, but are not limited to, the following:

- Serve as chairperson of the budget and finance committee if prescribed.
- Issue a receipt of monies received and deposit the monies on at least a weekly basis. (Daily if

receipts on hand exceed \$300).

- Present/maintain a current financial report including bank statements, bank reconciliations, and financial statements and be able to give them to the president or general membership as requested.
- A financial report and supporting bank statement must be presented to the president monthly.
- File an annual financial report to the district's business office no later than September 1st following the end of the organization's fiscal year.
- Maintain accurate and detailed account of all monies received and disbursed.
- Reconcile all bank statements and resolve discrepancies with the bank immediately.
- File sales tax reports as required by the State Comptroller's office.
- File annual IRS Form 990 annually.

STATE TAX EXEMPTIONS

APPLICATIONS

CERTIFICATES

FORMS



Texas Application for Exemption – Federal and All Others

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

Texas tax laws provide exemptions from sales, franchise and/or hotel taxes for organizations meeting specific requirements. The exemptions available vary, depending upon the category of exemption under which the organization might qualify.

Please use this application, Form AP-204, to apply for exemption if you are

- applying on the basis of the organization's designation as a qualifying 501(c) organization, or
- applying on any basis **OTHER THAN** as a religious, charitable, educational organization or a homeowners' association.

Separate applications are available for organizations applying for exemption as a religious (Form AP-209), charitable (Form AP-205), educational (Form AP-207) or homeowners' association (Form AP-206).

The applications, 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
P.O. Box 13528
Austin, Texas 78711

FAX: (512) 475-5862
Email: exempt.orgs@cpa.texas.gov

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.



AP-204-2
(Rev. 7-25/13)

Texas Application for Exemption – Federal and All Others

PRINT FORM

CLEAR FIELDS

• Remove All Staples • TYPE OR PRINT • Do NOT write in shaded areas.

1. Organizations applying for exemption under one of the categories listed below should check the appropriate box and complete this application.

Our publication, *Guidelines to Texas Tax Exemptions (98-1045)*, includes a description of the additional documentation required for each category of exemption. For the category you select, be sure to read the requirements listed in the publication. **If you send in an application without including the documentation described in the publication, we will return the application to you with a request for additional information. We are unable to process incomplete applications.**

- | | |
|--|---|
| ☐ Federal Exemption under qualifying Internal Revenue Code (IRC) Section 501(c). Attach IRS Determination Letter. | ☐ Credit Unions - Federal |
| ☐ Cemetery Corporations | ☐ Credit Unions - State |
| ☐ Certain Insurance Corporations for Farm Mutuals, Local Mutual Aid Associations and Burial Associations | ☐ Development Corporations |
| ☐ Certain Insurance Corporations Licensed as Title Insurance Companies and Title Insurance Agents | ☐ Electric Cooperatives |
| ☐ Certain Corporations Subject to the Insurance Code | ☐ Emergency Medical Service Corporations |
| ☐ Chambers of Commerce | ☐ Farmers' Cooperative Societies or cooperatives whose single member is a farmers' cooperative described in Section 521(b)(1), IRC, that has at least 500 farmer-fruit grower members. |
| ☐ Convention and Tourist Promotional Agencies | ☐ Health Facility Development Corporations |
| ☐ Cooperative Associations | ☐ Hospital Laundry Cooperative Associations |
| ☐ Cooperative Credit Associations | ☐ Housing Finance Corporations |
| ☐ Corporations Exempted by Another Law | ☐ Local Organizing Committees |
| ☐ Corporations with Business Interest in Solar Energy Devices | ☐ Lodges |
| ☐ Corporations Organized for Agricultural Purposes | ☐ Marketing Associations |
| ☐ Corporations Organized for Conservation Purposes | ☐ Nonprofit Water Supply Corporations |
| ☐ Corporations Involved with City Natural Gas Facility | ☐ Open-End Investment Companies |
| ☐ Corporations Organized to Provide Cooperative Housing | ☐ Corporations Organized to Promote County, City or Another Area (Public Interest Organizations) |
| ☐ Corporations Organized to Provide Convalescent Homes for Elderly | ☐ Railway Terminal Corporations |
| ☐ Corporations Organized for Student Loan Funds or Student Scholarship Purposes | ☐ Recycling Operations |
| | ☐ Telephone Cooperatives |
| | ☐ Volunteer Fire Departments |
| | ☐ Youth Athletic Organizations |

2. ORGANIZATION NAME

(Legal name as provided on Articles of Incorporation, or if unincorporated, the governing document.)

3. 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.)

4. Texas taxpayer number (if applicable)

5. Federal Employer Identification Number (EIN) (Required if applying for exemption on the basis of a federal exemption)

6. a) Enter filing information issued by the Texas Secretary of State:

File Number File Date Month Day Year

OR

b) ☐ Check this box if this organization is not registered with the Texas Secretary of State.

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.

7. Contact information of the person submitting this application

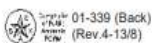
Name Email Address

Firm or Company Name Daytime Phone (Area code and number) Extension

Address City State ZIP Code

We will notify you by email when the exemption has been added to let you know where the exemption can be verified online. If an email address is not provided, indicate where our response should be mailed: ☐ organization's mailing address or ☐ mailing address of the submitter.

TAX EXEMPTION CERTIFICATES

[SAVE A COPY](#)[CLEAR SIDE](#)

Texas Sales and Use Tax Exemption Certification

This certificate does not require a number to be valid.

Name of purchaser, firm or agency	
Address (Street & number, P.O. Box or Route number)	Phone (Area code and number)
City, State, ZIP code	

I, the purchaser named above, claim an exemption from payment of sales and use taxes (for the purchase of taxable items described below or on the attached order or invoice) from:

Seller: _____

Street address: _____ City, State, ZIP code: _____

Description of items to be purchased or on the attached order or invoice:

Purchaser claims this exemption for the following reason:

I understand that I will be liable for payment of all state and local sales or use taxes which may become due for failure to comply with the provisions of the Tax Code and/or all applicable law.

I understand that it is a criminal offense to give an exemption certificate to the seller for taxable items that I know, at the time of purchase, will be used in a manner other than that expressed in this certificate, and depending on the amount of tax evaded, the offense may range from a Class C misdemeanor to a felony of the second degree.

 Purchaser	Title	Date

NOTE: This certificate cannot be issued for the purchase, lease, or rental of a motor vehicle.

THIS CERTIFICATE DOES NOT REQUIRE A NUMBER TO BE VALID.

Sales and Use Tax "Exemption Numbers" or "Tax Exempt" Numbers do not exist.

This certificate should be furnished to the supplier.
Do not send the completed certificate to the Comptroller of Public Accounts.

SAVE A COPY

CLEAR SIDE

Texas Sales and Use Tax Resale Certificate

Name of purchaser, firm or agency as shown on permit	Phone (Area code and number)
Address (Street & number, P.O. Box or Route number)	
City, State, ZIP code	
Texas Sales and Use Tax Permit Number (must contain 11 digits)	
Out-of-state retailer's registration number or Federal Taxpayers Registry (RFC) number for retailers based in Mexico	
(Retailers based in Mexico must also provide a copy of their Mexico registration form to the seller.)	

I, the purchaser named above, claim the right to make a non-taxable purchase (for resale of the taxable items described below or on the attached order or invoice) from:

Seller: _____

Street address: _____

City, State, ZIP code: _____

Description of items to be purchased on the attached order or invoice:

Description of the type of business activity generally engaged in or type of items normally sold by the purchaser:

The taxable items described above, or on the attached order or invoice, will be resold, rented or leased by me within the geographical limits of the United States of America, its territories and possessions or within the geographical limits of the United Mexican States, in their present form or attached to other taxable items to be sold.

I understand that if I make any use of the items other than retention, demonstration or display while holding them for sale, lease or rental, I must pay sales tax on the items at the time of use based upon either the purchase price or the fair market rental value for the period of time used.

I understand that it is a criminal offense to give a resale certificate to the seller for taxable items that I know, at the time of purchase, are purchased for use rather than for the purpose of resale, lease or rental, and depending on the amount of tax evaded, the offense may range from a Class C misdemeanor to a felony of the second degree.

sign here 	Purchaser	Title	Date
--	-----------	-------	------

This certificate should be furnished to the supplier.
Do not send the completed certificate to the Comptroller of Public Accounts.

Texas Hotel Occupancy Tax Exemption Certificate

Provide completed certificate to hotel to claim exemption from hotel tax. Hotel operators should request a photo ID, business card or other document to verify a guest's affiliation with the exempt entity. Employees of exempt entities traveling on official business can pay in any manner. For non-employees to be exempt, the exempt entity must provide a completed certificate and pay the hotel with its funds (e.g., exempt entity check, credit card or direct billing). This certificate does not need a number to be valid.

Name of exempt entity	Exempt entity status (Religious, charitable, educational, governmental)
Address of exempt organization (Street and number)	
City, State, ZIP code	

Guest certification: I declare that I am an occupant of this hotel on official business sanctioned by the exempt organization named above and that all information shown on this document is true and correct. I further understand that it is a criminal offense to issue an exemption certificate to a hotel that I know will be used in a manner that does not qualify for the exemptions found in the hotel occupancy tax and other laws. The offense may range from a Class C misdemeanor to a felony of the second degree.

Guest name (Type or print)	Hotel name
Guest signature sign here	Date

Exemption claimed

Check the box for the exemption claimed. See Rule 3.161: Definitions, Exemptions, and Exemption Certificate.

- ☐ **United States Federal Agencies or Foreign Diplomats.** Details of this exemption category are on back of form. This category is exempt from state and local hotel tax.
- ☐ **Texas State Government Officials and Employees.** (An individual must present a Hotel Tax Exemption Photo ID Card). Details of this exemption category are on back of form. This limited category is exempt from state and local hotel tax. Note: State agencies and city, county or other local government entities and officials or employees are not exempt from state or local hotel tax, even when traveling on official business.
- ☐ **Charitable Entities.** (Comptroller-issued letter of exemption required.) Details of this exemption category are on back of form. This category is exempt from state hotel tax, but not local hotel tax.
- ☐ **Educational Entities.** Details of this exemption category are on back of form. This category is exempt from state hotel tax, but not local hotel tax.
- ☐ **Religious Entities.** (Comptroller-issued letter of exemption required.) Details of this exemption category are on back of form. This category is exempt from state hotel tax, but not local hotel tax.
- ☐ **Exempt by Other Federal or State Law.** Details of this exemption category are on back of form. This category is exempt from state and local hotel tax.

Permanent Resident Exemption (30 consecutive days): An exemption certificate is not required for the permanent resident exemption. A permanent resident is exempt the day the guest has given written notice or reserves a room for at least 30 consecutive days and the guest stays for 30 consecutive days, beginning on the reservation date. Otherwise, a permanent resident is exempt on the 31st consecutive day of the stay and is not entitled to a tax refund on the first 30 days. Any interruption in the resident's right to occupy a room voids the exemption. A permanent resident is exempt from state and local hotel tax.

Hotels should keep all records, including completed exemption certificates, for four years.

Do NOT send this form to the Comptroller of Public Accounts.



Texas Application

- Sales Tax Permit • Use Tax Permit • 9-1-1 Emergency Communications
- Prepaid Wireless 9-1-1 Emergency Service Fee
- Off-Road, Heavy-Duty Diesel Powered Equipment Surcharge

[PRINT FORM](#)[CLEAR FIELDS](#)[Instructions in English](#)

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

If you are a sole proprietor, start on the next page, Item 10.

ENTITY INFORMATION	1. Business Organization Type	☐ Profit Corporation (CT, CF)			☐ General Partnership (PB, PI)	☐ Business Trust (TF)
	☐ Nonprofit Corporation (CN, CM)	☐ Professional Association (AP, AF)	☐ Trust (TR) Submit a copy of the trust agreement with this application.			
	☐ Limited Liability Company (CL, CI)	☐ Business Association (AB, AC)	☐ Real Estate Investment Trust (TH, TI)			
	☐ Limited Partnership (PL, PF)	☐ Joint Venture (PV, PW)	☐ Joint Stock Company (ST, SF)			
	☐ Professional Corporation (CP, CU)	☐ Holding Company (HF)	☐ Estate (ES)			
	☐ Other (explain) _____					
	2. Legal name of corporation, partnership, limited liability company, association or other legal entity _____					
	3. Federal Employer Identification Number (FEIN)..... - -					
	4. ☐ Check here if you DO NOT have an FEIN.					
	5. List any current or past 11-digit Texas Taxpayer Number for reporting any taxes or fees to the Texas Comptroller of Public Accounts.					
6. Have you ever received a Texas vendor or payee number (Texas Identification Number/TIN)? ☐ YES ☐ NO If "YES," enter number...						
7. Enter the home state or country where this entity was formed and the formation date..... State/country Month Day Year						
Enter the home state registration/file number..... File number						
Non-Texas entities: enter the file number if registered with the Texas Secretary of State..... File number						
8. If the business is a corporation, has it been involved in a merger within the last seven years? ☐ YES ☐ NO If "YES," attach a detailed explanation. (See instructions.)						
9. List all general partners, officers or managing members (Attach additional sheets, if necessary.)						
Name Phone (Area code and number)						
Home address City State ZIP code						
SSN FEIN Percent of ownership % County (or country, if outside the U.S.)						
Position held: ☐ General Partner ☐ Officer/Director ☐ Managing Member ☐ Other						
Name Phone (Area code and number)						
Home address City State ZIP code						
SSN FEIN Percent of ownership % County (or country, if outside the U.S.)						
Position held: ☐ General Partner ☐ Officer/Director ☐ Managing Member ☐ Other						

If you are not a sole proprietor, go to Item 15.

Texas Application for Sales Tax Permit and/or Use Tax Permit



Page 2

• TYPE OR PRINT

• Do NOT write in shaded areas.

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 numbers listed on this form.

If you are a sole proprietor, start here.

(If you are NOT a sole proprietor, skip to Item 15.)

SOLE PROPRIETORS

10. Legal name of sole proprietor (first, middle initial, last)
11. Social Security number (SSN) ☐ Check this box if you DO NOT have a Social Security number (SSN).
12. List any current or past 11-digit Texas Taxpayer Number for reporting any taxes or fees to the Texas Comptroller of Public Accounts.
13. Have you ever received a Texas vendor or payee number (Texas Identification Number/TIN)? ☐ YES ☐ NO If "YES," enter number
14. Federal Employer Identification Number (FEIN), if you have one, assigned by the Internal Revenue Service for reporting federal income taxes.

All applicants continue here.

ALL APPLICANTS

15. Mailing address of **taxpaying entity** - Do not enter your registered agent's mailing address. If you receive mail at a high-rise or apartment building, mall, or commercial mail center, please include the floor, suite, space, room, unit, or postal mailbox number. Mail is not delivered to incomplete addresses.
- Street number and name, P.O. Box or rural route and box number Suite/Apt. #
- City State/province ZIP code County (or country, if outside the U.S.)
16. Daytime phone number (Area code and number)
17. FAX number (Area code and number)
18. Mobile/cellular phone number (Area code and number)
19. Business website address(es)
20. Contact person for business records
- Name Email address
- Street address (if different from the address in Item 15) Phone number (Area code, number and extension)
21. Alternate contact person for business records
- Name Email address
- Street address (if different from the address in Item 15) Phone number (Area code, number and extension)
22. Name of bank or other financial institution (Attach additional sheets, if necessary.) ☐ Business ☐ Personal
23. If you will be accepting payments by credit card and/or through an online payment processing company, enter the name of the processor. Merchant identification number (MID) assigned by processor

Texas Application for Sales Tax Permit and/or Use Tax Permit



Legal name (Same as Item 2 OR Item 10)

Complete all information in this section for each **PLACE OF BUSINESS** in Texas.
If you do not have a physical **PLACE OF BUSINESS** in Texas, skip to Item 30.

24. **PLACE OF BUSINESS** name and address - This address is for a physical location operated for the purpose of selling taxable items where sales personnel receive three or more orders for taxable items during the calendar year. (Attach additional sheets for each **PLACE OF BUSINESS** in Texas.)

Business name (DBA)

Street address (include St, Av, Ct, etc.) or rural route and box number (Do NOT use P.O. Box address--must provide physical location address.)

Suite/Apt. number

City

State

ZIP code

Business location phone

T, X

If this **PLACE OF BUSINESS** address is difficult to find or includes a rural route and box number, provide the physical location or directions.

See instructions prior to answering Items 25 and 26.

25. Within what city limits is this **PLACE OF BUSINESS**?

☐ Check this box if this **PLACE OF BUSINESS** is **NOT** located within the limits of a city in Texas.

26. Within what county is this **PLACE OF BUSINESS**?

27. Is this **PLACE OF BUSINESS** operated from your home? ☐ YES ☐ NO

28. Do you ship or deliver items to cities or counties in Texas other than where you have your place of business? ☐ YES ☐ NO

29. Enter the name and address of the owner or landlord of this **PLACE OF BUSINESS**.

30. Do you maintain a distribution center, warehouse, office or any other physical location where business is conducted in Texas? ☐ YES ☐ NO

If "YES", list the location of all distribution points, warehouses or offices in Texas. (Do not include locations that are considered a **PLACE OF BUSINESS**.) (Attach additional sheets, if necessary.)

Street

City

State

ZIP code

T, X

T, X

31. Do you have any representative, agent, salesperson, canvasser or solicitor who operates under your authority to conduct business in Texas, including selling, delivering or taking orders for taxable items? ☐ YES ☐ NO

If "YES", list names and addresses of all representatives, agents, salespersons, canvassers or solicitors in Texas.

(Attach additional sheets, if necessary)

Name (first, middle initial, last)

Street address

City

State

ZIP code

T, X

32. Do you own, use, sell, lease or rent tangible personal property located in Texas? (This includes storing machinery and equipment.) ☐ YES ☐ NO

33. Do you provide onsite taxable services at customer locations in Texas? ☐ YES ☐ NO

34. Do you sell at temporary locations (fairs, trade shows, etc.) in Texas? ☐ YES ☐ NO

If "YES", list the locations or event names and when you will be at location or event. (Attach additional sheets, if necessary)

Location and/or event name (e.g., Canton First Mondays, State Fair in Dallas, etc.)

Period in attendance (e.g., first weekend of each month, late October, etc.)

35. Do you have a franchisee or licensee operating under your name who is required to collect sales and use taxes in Texas? ☐ YES ☐ NO

36. Do you have a substantial ownership in, or are owned in whole or substantial part, by a person who has a business location in Texas and sells the same or similar line of products under a business name that is similar to your business name? ☐ YES ☐ NO

37. Do you have a substantial ownership in, or are owned in whole or substantial part, by a person who maintains a location in Texas to advertise, promote or facilitate sales, deliveries or returns of your products? ☐ YES ☐ NO

PLACE OF BUSINESS INFORMATION



Texas Application for Sales Tax Permit and/or Use Tax Permit



Legal name (Same as Item 2 OR Item 10)

RELATED INFORMATION

38. Do you have internet or mail order sales? ☐ YES ☐ NO
39. Are you a Marketplace Provider? ☐ YES ☐ NO
40. Will your anticipated monthly taxable sales exceed \$8,000 per month? ☐ YES ☐ NO
41. Will you sell alcoholic beverages? ☐ YES ☐ NO
If "YES", which permit will you hold? ☐ MIXED BEVERAGE ☐ BEER AND WINE
42. Is this permit for a winery located outside of Texas that will ship wine to consumers in Texas? ☐ YES ☐ NO
If "YES," you **must** obtain an Out-of-State Winery Direct Shipper's Permit from the Texas Alcoholic Beverage Commission. (See instructions.)
Enter the Texas Alcoholic Beverage Commission license number(s) for this address.

43. Will you sell memberships to a health spa? ☐ YES ☐ NO
If "YES," you **must** attach a copy of your Health Spa certificate of registration issued by the Texas Secretary of State.
44. Will you sell electronic cigarettes or any other device that simulates smoking by using a mechanical heating element, battery or electronic circuit to deliver nicotine or other substances to the individual inhaling from the device? ☐ YES ☐ NO
- 44a. If "YES," are you planning to sell electronic cigarettes over the internet, by mail order or by telephone? ☐ YES ☐ NO
- 44b. If "YES" in 44a above, enter your email address or URL _____
45. Will you sell fireworks? ☐ YES ☐ NO
46. If you have answered "NO" to questions 30-37, 39 and 43, do you elect to use the optional Single Local Tax (SLT) rate? ☐ YES ☐ NO
47. Enter the date that you will begin making sales? _____
Month Day Year
48. Will you operate this business all year? ☐ YES ☐ NO
If "NO," list the months you will operate _____
49. Enter your North American Industry Classification System (NAICS) code. (See specific instructions.) _____
If you don't know your NAICS code, indicate your principal type of business.

☐ Agriculture	☐ Transportation	☐ Retail Trade	☐ Real Estate	☐ Direct Sales / Marketing
☐ Mining	☐ Finance	☐ Services	☐ Communications (See Item 38.)	
☐ Construction	☐ Utilities	☐ Insurance	☐ Public Administration	
☐ Manufacturing	☐ Wholesale Trade	☐ Health Spa	☐ Other (explain) _____	

Primary business activity and type of products or services to be sold.

50. Will you be required to report interest earned on sales tax? (See specific instructions.) ☐ YES ☐ NO
51. Will you sell, lease or rent off-road, heavy-duty (50 horsepower or more) diesel-powered equipment? ☐ YES ☐ NO
52. If you will be providing telecommunications services, indicate the 9-1-1 emergency communications fees you collect under Health & Safety Code, Chapter 771.
☐ 9-1-1 Wireless Emergency Service Fee (91) ☐ 9-1-1 Emergency Service Fee (92) ☐ 9-1-1 Equalization Surcharge (93)
53. Will you sell prepaid wireless telecommunications services? ☐ YES ☐ NO

911 FEES

If you purchased an existing business or business assets, complete Item 54; if not, skip to Item 55.

54. Previous owner's trade name (DBA name) _____

Previous owner's legal name, address and phone number, if available

Name _____ Title _____ Phone (Area code and number) _____

Street address _____ City _____ State _____ ZIP code _____

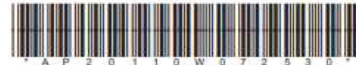
Check each of the following items you purchased. ☐ Inventory ☐ Corporate stock ☐ Equipment ☐ Real estate ☐ Other assets

Purchase price of this business or assets and the date of purchase

Purchase price \$ _____ Date of purchase _____
Month Day Year

PREVIOUS OWNER

Texas Application for Sales Tax Permit and/or Use Tax Permit



Page 5

Legal name (Same as Item 2 OR Item 10)

SIGNATURES

APPLICANTS MUST BE AT LEAST 18 YEARS OLD. Parents or legal guardians can obtain a sales tax permit on behalf of a minor.

55. The sole owner, ALL general partners, managing members, officers, directors or an authorized representative must sign. The representative must submit a written power of attorney. **(Attach additional sheets, if necessary.)**

Date of signature(s)
Month Day Year

I (We) declare that the information in this document and any attachments is true and correct to the best of my (our) knowledge and belief.

Type or print name and title of sole owner, partner, officer, director or member

Sole owner, partner, officer, director or member

Driver license number/state

Are you at least 18 yrs of age or older?

☐ YES ☐ NO

sign here

Type or print name and title of partner, officer, director or member

Partner, officer, director or member

Driver license number/state

Are you at least 18 yrs of age or older?

☐ YES ☐ NO

sign here

Type or print name and title of partner, officer, director or member

Partner, officer, director or member

Driver license number/state

Are you at least 18 yrs of age or older?

☐ YES ☐ NO

sign here

WARNING. You may be required to obtain an additional permit or license from the State of Texas or from a local governmental entity to conduct business. A listing of links relating to acquiring licenses, permits, and registrations from the State of Texas is available online at <https://www.texas.gov/>. You may also want to contact the municipality and county in which you will conduct business to determine any local governmental requirements.

INSTRUCTIONS

You can submit your completed application by mail, email or fax:

Mail: Comptroller of Public Accounts
111 E. 17th St.
Austin, TX 78774-0100

Email: sales.applications@cpa.texas.gov

Fax: 512-936-0010

You will receive your permit approximately four weeks after we receive your completed and signed application. Incomplete applications will delay the process.

FEDERAL PRIVACY ACT — Disclosure of your social security number is required and authorized under law, for the purpose of tax administration and identification of any individual affected by applicable law, 42 U.S.C. §405(c)(2)(C)(i); Tex. Govt. Code §§403.011 and 403.078. Release of information on this form in response to a public information request will be governed by the Public Information Act, Chapter 552, Government Code, and applicable federal law.

ASSUMPTION OF RISK FOR DISCLOSURE OF PERSONAL IDENTIFIABLE INFORMATION — While disclosure of your social security number is required and authorized under law, for the purpose of tax administration and identification of any individual affected by applicable law, 42 U.S.C. §405(c)(2)(C)(i); Tex. Govt. Code §§403.011 and 403.078, **your signature on this form affirms** you understand and assume the risk of sending your personal identifiable information via unsecure methods, including unencrypted email and/or fax. You are not required to send your form via email or fax. You may submit your form via mail or the online system provided by CPA for more security.

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.

Field office or section number _____ Employee name _____ USERID _____ Date _____

Texas Sales and Use Tax Return - Short Form

Who May File the Short Form - You may file the short form if you meet all of the following criteria:

- your business has a single location in Texas;
- you report applicable local taxes only to the entities (city, transit authority, county or special purpose district) in which your business is located;
- you do not prepay your state and local taxes;
- you do not have a credit, including bad debt credit, to reduce your tax due on this return;
- you do not have customs broker refunds to report; and
- you are not a remote seller or marketplace provider.

You must file the long form (Form 01-114) if any of these statements do not apply to your business. You must file a long form if you are responsible for out-of-state use tax and have no in-state locations.

If you have a credit for taxes you paid or customs broker refunds to report, you are required to complete Form 01-114 Sales and Use Tax Return and Form 01-148 Texas Sales and Use Tax Return Credits and Customs Broker Schedule. If you are claiming bad debt credit, you must file electronically at <https://comptroller.texas.gov/taxes/file-pay/>.

When to File - Returns must be filed or postmarked on or before the 20th day of the month following the end of each reporting period. If the due date falls on a Saturday, Sunday or legal holiday, the next business day will be the due date.

Business Changes - If you are out of business or if your mailing or outlet address has changed, you can make these changes online at

www.comptroller.texas.gov/taxes/sales/, "Registering and Reporting Texas Sales and Use Tax," or blacken the box to the right of the signature line on this return. If you are a Remote Seller, use form 01-798, Remote Sellers Intent to Terminate Use Tax Responsibilities, to end your tax responsibility.

Instructions for Filing an Amended Texas Sales and Use Tax Return

You may file an amended return on paper or electronically via Webfile or Electronic Data Interchange (EDI). Additional documentation may be required to validate your request. If you choose to file a paper amended return please follow these steps:

1. Make a copy of the original return you filed or download a blank return from our website at www.comptroller.texas.gov/taxes/forms/.
2. Write "AMENDED RETURN" on the top of the form.
3. If you're using a copy of your original return, cross out the amounts that are wrong and write in the correct amounts. If you're using a blank return, enter the amounts as they should have appeared on the original return.
4. Sign and date the return.

If the amended return shows you **underpaid** your taxes, please send the additional tax due plus any penalties and interest that may apply.

If the amended return shows you **overpaid** your taxes and you are requesting a refund, you must meet all of the requirements for a refund claim. Refer to *Sales Tax Refunds* on the Comptroller's website at www.comptroller.texas.gov/taxes/sales/refunds/.

Whom to Contact for Assistance - If you have any questions regarding sales tax, you may contact the Texas State Comptroller's field office in your area or call 800-252-5555.

General Instructions

- Please do not write in shaded areas.
- If any preprinted information on this return is incorrect, OR if you do not qualify to file this return, contact the Comptroller's office.
- Do not leave Items 1, 2, 3 or 4 blank. Enter "0" if the amount is zero.
- You must file a return even if you had no sales.
- If any amounts entered are negative, bracket them as follows: <XX,XXX.XX>.

- If **hand printing**, please enter all numbers within the boxes, as shown. Use black ink.

0 1 2 3 4 5 6 7 8 9

- If **typing**, numbers may be typed consecutively.

0123456789



ONLINE TAX FILING AND PAYMENT 24/7 WITH WebFile!

www.comptroller.texas.gov/taxes/file-pay/

Have this form available when you file your short form electronically using WebFile.

Payment options are credit card or Web electronic check.

No-tax-due filing is also available through TeleFile at 1-888-434-5464.

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 numbers indicated in the instructions.

PLEASE DETACH AND RETURN BOTTOM PORTION ONLY

01-117
(Rev. 5-19/39)

TEXAS SALES AND USE TAX RETURN

HHH

I. OUT OF BUSINESS DATE
DO NOT ENTER UNLESS
no longer in business.



a. **26140** • Do not fold, staple or paper clip • Write only in white areas.

c. Taxpayer number

d. Filing period

g. Due date

e. ZIP

f. Outlet no./location

k. Outlet address (Do not use a P.O. box address)

Taxpayer name and mailing address

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief.

sign here Taxpayer or duly authorized agent

Date Daytime phone (Area code & no.)

Blacken this box if out of business or address has changed.

	DOLLARS	CENTS
1. TOTAL TEXAS SALES ■ (Whole dollars only).....		.00
2. TAXABLE SALES ■ (Whole dollars only).....		.00
3. TAXABLE PURCHASES + ■ (Whole dollars only).....		.00
4. Total amount subject to tax ■ (Item 2 plus Item 3)		.00
5. Tax due - Multiply Item 4 by the combined tax rate (Include state & local)		
6. Timely filing discount (0.005)		
7. Prior payments		
8. Net tax due (Subtract Items 6 and 7 from Item 5.)		
9. Penalty & interest (See instructions).....		
10. TOTAL AMOUNT DUE AND PAYABLE ■ (Item 8 plus Item 9)		



To be filed by Corporations, Limited Liability Companies (LLC), Limited Partnerships (LP), Professional Associations (PA) and Financial Institutions.

■ **Tcode 13196 Franchise**

Taxpayer number										☒ Report year 2 0 2 6				Due date 5/15/2026		You have certain rights under Chapter 552 and 539, Government Code, to review, request and correct information we have on file about you.	
Taxpayer name														☐ ☐ Blacken circle if the mailing address has changed.			
Mailing address														Secretary of State (SOS) file number or Comptroller file number			
City						State				ZIP code plus 4							
☐ Blacken circle if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.																	
Principal office																	
Principal place of business																	

You must report officer, director, member, general partner and manager information as of the date you complete this report.

Please sign below!

This report must be signed to satisfy franchise tax requirements.

SECTION A Name, title and mailing address of each officer, director, member, general partner or manager.

Name	Title	Director ☐ YES	Term expiration	m m d d y y
Mailing address	City	State	ZIP Code	
Name	Title	Director ☐ YES	Term expiration	m m d d y y
Mailing address	City	State	ZIP Code	
Name	Title	Director ☐ YES	Term expiration	m m d d y y
Mailing address	City	State	ZIP Code	

SECTION B Enter information for each corporation, LLC, LP, PA or financial institution, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership
Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter information for each corporation, LLC, LP, PA or financial institution, if any, that owns an interest of 10 percent or more in this entity.

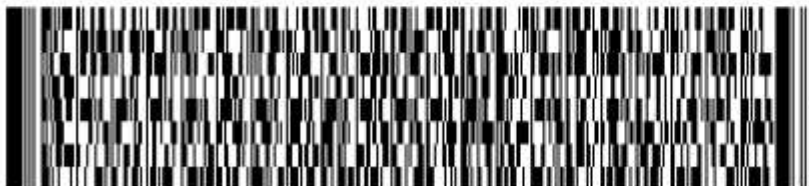
Name of owned (parent) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership
Registered agent and registered office currently on file. (see instructions if you need to make changes)		You must make a filing with the Secretary of State to change registered agent, registered office or general partner information.	
Agent:			
Office:	City	State	ZIP Code

The information on this form is required by Section 171.203 of the Tax Code for each corporation, LLC, LP, PA or financial institution that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director, member, general partner or manager and who is not currently employed by this or a related corporation, LLC, LP, PA or financial institution.

Title	Date	Area code and phone number () -
-------	------	-------------------------------------

Texas Comptroller Official Use Only



VE/DE	☐	PIR IND	☐
PM Date			

