



## Nonprofit Tax Exemptions and Estimated Revenue Impact

### KEY TAKEAWAY:

Within Mississippi Code Section 27-65-111, sales to specific nonprofit organizations are listed for particular items. If total exemptions were removed, the state would realize an estimated \$91 million.

Almost all of the revenue gains would be realized through the removal of sales tax exemptions for nonprofit hospitals and infirmaries.

The following table provides estimates on the revenue loss associated with current nonprofit sales tax exemptions.

With the exception of the Girl Scout Cookies exemption, exemptions listed above all represent sales of tangible personal property or services to the organizations. For Girls Scout Cookies the exemption is for the sales of cookies.

<b>Sales Tax Exemptions for Nonprofits (27-65-111)</b>	<b>FY10</b>
Sales to Nonprofit Hospitals and Infirmaries	\$87,334,000
Sales to Nonprofit Orphanages, Old Men's or Ladies' Homes	\$277,000
Sales to YMCA, YWCA, or Boys or Girls Clubs	\$1,347,000
Sales to Nonprofit Private Schools	\$1,109,000
Sales to Salvation Army or Muscular Dystrophy Association, Inc.	\$192,000
Sales to the Institute for Technology Development	\$542,000
Sales of Cookies by the Girl Scouts of America	\$247,000
Sales to Public or Nonprofit Museums of Art	Insignificant
Sales to Alumni Associations of State-supported Colleges or Universities	Insignificant
Sales to National Association of Junior Auxiliaries, Inc.	Insignificant
Sales to Domestic Violence Shelters	Insignificant
Sales to the Mississippi Chapter of the National Multiple Sclerosis Society	Insignificant
Sales to Nonprofit Organizations Providing Foster Care, Temporary Housing, Adoption Services and Residential Rehabilitation Services	Insignificant
<b>Total</b>	<b>\$91,048,000</b>
<i>Source: Center for Research and Planning. Mississippi Institutions for Higher Learning. The Annual Tax Expenditure Report pages 40-41. November 2009</i>	

*The Annual Tax Expenditure Report includes this note with the Miscellaneous Exemptions list: "Numbers..." "...should be considered very inexact estimates. No established data base exists for determining these values." IHL does not report unreliable estimates or information that would be misleading. Hence the numbers reported represent the best information available to examine this issue.*