

Subject: Tax Code/Amount Guidelines

Audience: Buyers

Buyers are reminded to carefully select the correct tax option when creating purchase orders in SRM. The following information is provided to help clarify this process.

All procured items are subject to South Carolina Sales and Use Tax regulations, although not all items are taxable.

When using SRM to create purchase orders on taxable items, use the following general rules to select the correct tax option (Tax Code/Amount) under the General Data tab.

- **Sales Tax (I1: A/P Sales Tax)**
 - Items purchased from an in-state vendor or where tax has been negotiated between buyer and seller before the purchase order / contract has been created, Sales Tax applies (I1: A/P Sales Tax)

- **Use Tax (U1: A/P Self-Assessment Use Tax)**
 - Items purchased from an out of state vendor. The only exception applies to out of state contracts that were negotiated, in which the seller will invoice and pay South Carolina Sales Tax.

For guidance on South Carolina Sales and Use Tax please contact the South Carolina Department of Revenue (SCDOR). Users may also view Sales and Use Tax information available on the [SCDOR website](#).

If you have questions about this information, please contact the SCEIS Service Desk at (803) 896-0001 (select option 1 for SCEIS help) or use the email form available at the following link: <http://www.sceis.sc.gov/requests/>.