



# Texas Application for Exemption – Religious Organizations

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TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

Nonprofit religious organizations should use this application to request exemption from Texas sales tax, hotel occupancy tax and franchise tax, if applicable. To receive a state tax exemption as a religious organization, a nonprofit religious organization must be an organized group of people regularly meeting at a particular location with an established congregation for the primary purpose of holding, conducting and sponsoring religious worship services according to the rites of their sect. Exemption from federal tax is not required to qualify for exemption from state tax as a religious organization.

The exemption for religious organizations is provided for in Sections 151.310, 156.102 and 171.058 of the Texas Tax Code, and more detailed information can be found in Comptroller's Rules 3.322, 3.161, 3.541 and 3.583.

Some organizations will not qualify for exemption as a religious organization as that term is defined in Texas' law and rules, even though their activities may be religious in nature. Evangelistic associations do not qualify for exemption as religious organizations. Organizations that simply support and encourage religion as an incidental purpose, or that further religious work or teach their membership religious understanding (such as Bible study groups, prayer groups and revivals) do not qualify for exempt status under this category. Such an organization might still qualify for exemption from Texas sales tax and franchise tax, if applicable, based on their exemption under certain sections of the Internal Revenue Code (IRC).

Texas tax law provides an exemption from **sales** tax on goods and services purchased for use by organizations exempt under IRC Section 501(c)(3), (4), (8), (10) or (19). However, exempt organizations are required to collect tax on most of their sales of taxable items. See *Exempt Organizations—Sales and Purchases*, Publication 96-122. Texas law also provides an exemption from **franchise** tax for organizations exempted from the federal income tax under IRC Section 501(c)(2), (3), (4), (5), (6), (7), (8), (10), (16), (19) or (25).

If your organization has been granted federal tax exemption under one of the qualifying sections listed above, your organization will be granted an exemption from Texas sales tax, or sales and franchise tax, on the basis of the IRS exemption, as required by state law. Organizations that qualify for exemption based on a federal exemption are not exempt from hotel occupancy tax.

The laws, rules and other information about exemptions are online at [www.Comptroller.Texas.Gov/taxes/exempt/](http://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](mailto: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.

# Texas Application for Exemption - Religious Organizations



## SECTION A

• Remove all staples

• Type or print.

• Do NOT write in shaded areas.

### 1. ORGANIZATION NAME

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

### 2. 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.) |
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/>                     |

### 3. Texas taxpayer number (if applicable)

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

|             |                      |           |                      |       |     |      |
|-------------|----------------------|-----------|----------------------|-------|-----|------|
| File number | <input type="text"/> | File date | <input type="text"/> | Month | Day | Year |
|-------------|----------------------|-----------|----------------------|-------|-----|------|

OR

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

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

### 6. Average attendance at worship service

If average attendance is less than 50, indicate the number of families represented in the average attendance

### 7. Make only one selection as the organization's primary purpose:

- Religious worship services     Ministry     Youth group     Missionary     Bible study     Evangelistic association

### 8. Date of first worship service

### 9. Time and frequency of worship services

|      |                      |           |                      |
|------|----------------------|-----------|----------------------|
| Time | <input type="text"/> | Frequency | <input type="text"/> |
|------|----------------------|-----------|----------------------|

### 10. Physical address (no P.O. Box) where worship services are conducted

### 11. Contact information of the person submitting this application

|      |                      |               |                      |
|------|----------------------|---------------|----------------------|
| Name | <input type="text"/> | Email address | <input type="text"/> |
|------|----------------------|---------------|----------------------|

|                   |                      |                                      |                      |           |                      |
|-------------------|----------------------|--------------------------------------|----------------------|-----------|----------------------|
| Organization name | <input type="text"/> | Daytime phone (Area code and number) | <input type="text"/> | Extension | <input type="text"/> |
|-------------------|----------------------|--------------------------------------|----------------------|-----------|----------------------|

|         |                      |      |                      |       |                      |          |                      |
|---------|----------------------|------|----------------------|-------|----------------------|----------|----------------------|
| Address | <input type="text"/> | City | <input type="text"/> | State | <input type="text"/> | ZIP code | <input type="text"/> |
|---------|----------------------|------|----------------------|-------|----------------------|----------|----------------------|

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.

## SECTION B

Provide the following supporting information as it applies to the appropriate option below:

#### Option A (Member of a common denomination or convention of churches):

- If your organization is a church that is a member of a common denomination or convention of churches, and the parent organization either has a 501(c)(3) federal group exemption, or has previously obtained a religious exemption in Texas for the churches under its jurisdiction, your church can obtain exemption based on its affiliation with the parent organization. Attach a letter from the parent organization stating that your church is a recognized subordinate, or provide the website of the parent organization where your church's affiliation can be verified.

|                             |                      |                             |                      |
|-----------------------------|----------------------|-----------------------------|----------------------|
| Name of parent organization | <input type="text"/> | Parent organization website | <input type="text"/> |
|-----------------------------|----------------------|-----------------------------|----------------------|

#### Option B (Independent or nondenominational church):

The following must be included with your application. Information may be in the form of a bulletin, brochure, written statement or website:

- Your organization's statement of faith;
- The regular order of what takes place during worship services (for example, invocation, sermon, hymns, closing prayer);
- Evidence that services are open to the public and how they are advertised to the public;
- A description of the facility where the worship services are regularly conducted (pictures are accepted but not required and will not be returned).
  - Special note to unincorporated entities:** Include your organization's governing documents, such as the bylaws or constitution.
  - 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.

If your church has its own 501(c)(3) federal exemption, provide a copy of the IRS determination letter along with the information in option A or B so that we may update our records.

**Applications received without supporting documentation will be returned.**