Public Chapter 540 exempts from the sales and use tax any spallation neutron source facility funded by the U.S. government or instrumentality thereof and not funded with any state funds and located at a national laboratory. The exemption covers any property that becomes a component part of, or that is used exclusively in operation or repair of, the facility as well as any services or materials furnished the facility and used exclusively in its operation. Also exempted are any property, services, building materials, machinery, equipment, supplies, repair parts, replacement materials or other items used exclusively in the construction, operation or repair of the facility.

In order to make qualified purchases exempt from sales and use tax, contractors must complete and file an application with the Department. If approved, the Department will issue a Certificate of Exemption in the name of the contractor. The contractor must issue a copy of the Certificate of Exemption to its vendors in order to make purchases exempt from sales and use tax.

The undersigned certifies that in the event any tangible personal property or taxable service which is obtained by virtue of a Certificate of Exemption for the Spallation Neutron Source Project is used in any manner that makes it subject to Tennessee sales and use tax, the purchaser will be liable for the applicable tax, penalty and interest.

Date ______________________________ Signature ______________________________

Print Name ______________________________ Title ______________________________

This Application should be mailed or faxed to the Department’s Nashville Taxpayer Services office located at 500 Deaderick Street, Nashville, TN 37242. The telephone number is 615-253-5879. The fax number for this office is 615-532-2299.