

**POLICY**

Effective Date: November 15, 2006

Approved By: President's Council

Cancels:

Authority:

See Also:

**POL-U5320.11 MANAGING UNIVERSITY TAX LIABILITY**

*This policy applies to any university activity which results in a tax liability.*

**Definition:**

Tax Liability – refers to any amount due to an outside taxing authority as a result of a University activity.

**1. Vice President for Business and Financial Affairs Ensures the University Complies With all Federal, State, and Local Tax Regulations**

The Vice President for Business and Financial Affairs will consult with the appropriate authority (tax advisors, Assistant Attorney General, or the applicable taxing agency) when interpreting tax law.

Taxing authorities include:

- a) Federal Internal Revenue Service.
- b) Washington State Department of Revenue.
- c) City of Bellingham.
- d) Whatcom County.

**2. Vice President for Business and Financial Affairs Files Required Tax Forms**

The Vice President for Business and Financial Affairs will ensure that required tax forms are filed and payments are made in an accurate and timely manner.

**3. Financial Managers Comply with Business and Financial Affairs Procedures**

Financial managers must comply with Business and Financial Affairs tax liability and reporting procedures to ensure that taxable transactions are properly recorded.

**4. Vice President for Business and Financial Affairs Monitors Tax Reporting**

The Vice President for Business and Financial Affairs will regularly monitor the tax reporting function.

**5. Accounting Services Provides Training**

Accounting Services will provide training to the campus on the use of the application and rates of tax.

**6. Accounting Services Reviews University Activity**

Accounting Services will regularly review university activity to identify potential taxable events, and to ensure that taxes are properly paid.