

**Canaan Township, Morrow County**  
**Tax-Exempt Certificate of Use and Sales Tax Policy**  
**Adopted December 30, 2025**

**1. Purpose**

The purpose of this policy is to establish a framework for the use of Canaan Township's tax-exempt certificate by officials and employees that is in compliance with the requirements set forth in Auditor of State Bulletin 2025-013.

**2. Scope**

This policy applies to all elected or appointed officials and employees, regardless of whether the person is:

- (1) compensated or uncompensated;
- (2) serving full-time or part-time; or
- (3) serving in temporary or permanent position.

**3. Policy**

Canaan Township (the "Township") is committed to ensuring compliance with Auditor of State Bulletin 2025-013 by adopting the following policies:

Purchases Made Using Township's Account

- 1. All expenditures by an official or employee made using a Township account must serve a proper governmental purpose and must comply with all other relevant policies adopted by the Township.
- 2. All purchases must include an invoice or bill of sale clearly indicating that the sale was to the Township and that the tax-exempt certificate was used.
- 3. Only officials or employees in the following positions shall have access to the Township's tax-exempt certificate:
  - a. Township Fiscal Officer and members of the Board of Township Trustees

Purchases Made Using Personal Account

- 1. All expenditures by an official or employee on behalf of the Township using the person's personal account must serve a proper governmental purpose and must comply with all other relevant policies adopted by the Township.
- 2. No official or employee who makes a purchase for the Township using their personal credit card or checking account shall present the entity's tax-exempt certificate when making the purchase.
- 3. Any official or employee who makes a purchase of behalf of the Township using their own personal credit card or checking account must pay the sales tax at the point of sale.
- 4. Purchases made on behalf of the Township by an official or employee using their own personal credit card or checking account shall be eligible for reimbursement from the Township, including sales tax.
- 5. No purchase made on behalf of the public office by an official or employee using their own personal credit card or checking account shall have a total cost (including taxes and fees) in excess of \$1,500.

#### **4. Policy Application**

- Receipts for purchases made on behalf of the Township must be provided to the Fiscal Officer within 7 days of purchase.
- If a purchase made using the Township's account is erroneously charged sales tax, the official or employee make the purchase must take all reasonable actions to correct the error at the point of sale. If the error cannot be corrected, the official or employee must submit a "Sale/Use Tax Application for Refund" form to the Ohio Department of Taxation within 7 days of the purchase. The applicant is required to state the full and complete reasons for the refund request and must include supporting documents with the application.

#### **5. Roles and Responsibilities**

- **Township Board of Trustees:** Approves tax-exempt certificate use policy and ensures compliance with all relevant laws:
- **Fiscal Officer:** Oversees policy implementation and coordinated with legal counsel.
- **Employees/Officials:** Follow tax-exempt certificate use policy and report applicable expenditures.

#### **6. Review**

This policy will be reviewed periodically and updated to reflect changes in law and organizational needs.

#### **7. Enforcement**

Violations of this policy may result in disciplinary action up to and including termination of employment or contract, as well as potential civil and criminal penalties in accordance with applicable law. Failure to adhere to this policy could result in the issuance of a Finding for Recovery or other implications authorized under Ohio Law.

#### **8. Effective Date**

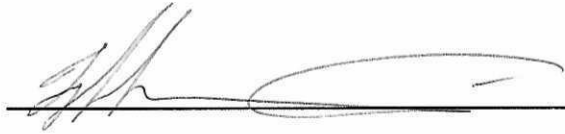
This policy takes effective immediately upon adoption by the Board of Trustees of Canaan Township.

**Signature Page for Tax-Exempt Certificate Use and Sales Tax Policy**



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*Matthew Carwell, Chairman*



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*Tyler Levering, Vice – Chairman*



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*John Bayles, Trustee*

BE IT THEREFORE RESOLVED THAT the Board of Trustees Canaan Township approved this resolution to be effective on December 30, 2025.

ATTEST:  Fiscal Officer, Jill Retterer