

## ReWa Sales and Use Tax Exemption

Effective December 1, 2016, ReWa is exempt from SC sales tax on purchases of machines used in the treatment process. The term "machines" includes parts of machines, attachments and replacements which are necessary to the operation of the machines. A machine is exempt from sales tax if it is an essential and indispensable component part of the treatment and conveyance process and is used on an ongoing and continuous basis. The state has deemed wastewater treatment facilities to be machines and determined its various parts (such as vats, basins, tanks, pumps, other mechanical devices, troughs and pipes) are integral and necessary to the operation of the system as a whole.

ReWa's sales tax exemption certificate is contained herein. Below are examples of what qualifies for the exemption and items that are excluded.

Exempt items include, but are not necessarily limited to the following:

Manholes

Trunk lines

Pumps and other mechanical devices

Greases, oils lubricants and coolants, used in the treatment process that are essential to the functioning of the exempt machine

Transformers, capacitors and voltage regulators

Machines used to maintain machines used in the conveyance and treatment process

Items used for quality control and/or quality assurance of the treatment process

Items used to comply with regulations of a US Agency (i.e. EPA or DHEC)

Chemicals used in the conveyance and treatment process

Electricity used in conveyance and treatment process

Excluded items include, but are not necessarily limited to the following:

Fencing

Protective clothing, with the exception of clothing required for a clean room

Automobiles or trucks but specialized equipment on the automobile or truck is exempt

Office renovations at treatment facilities

Paint

Machines used to maintain non-exempt machines

Fencing

Storage tanks with the exception of tanks that serve a function in the process

Power lines bringing electricity into the facility

Warehouse machines

Administrative machines, furniture, equipment such as office computers, or items used for personal comfort and/or convenience



STATE OF SOUTH CAROLINA  
DEPARTMENT OF REVENUE  
**EXEMPTION CERTIFICATE**

**ST-9**  
(Rev. 12/05/16)  
5011

**NOT VALID WHEN EXTENDED  
TO CONSTRUCTION  
CONTRACTORS THEIR  
SUB-CONTRACTORS, OR  
THEIR MATERIAL SUPPLY  
MEN.**

Letter ID: L0002401489

RENEWABLE WATER RESOURCES  
561 MAULDIN RD  
GREENVILLE SC 29607-4208

This certificate is issued in accordance with Section 12-36-2120 of Article 21, Section 12-36-120 of Article 1, Section 12-36-2510 of Article 25 of Chapter 36 of title 12, Section 58-25-80 of title 58, or Section 44-96-160(V)(1) of title 44 of the Code of Laws of South Carolina 1976, as amended.

CERTIFICATE ISSUED TO:  
RENEWABLE WATER RESOURCES  
MAULDIN RD  
GREENVILLE SC 29606

CERTIFICATE NUMBER: 1484994  
EXEMPTION START DATE: see date(s) below  
EXEMPTIONS: 12-36-2120(9)(a-d),(17),(19);  
12-36-120(2)

**NOTICE:**

The numbers in parentheses, which are a part of your certificate number, have reference to the specific type(s) of exemptions granted by this certificate. **Should this property be diverted to a taxable use, liability for payment of the tax thereon rests with your company. In the event the nature of your operations changes, you should notify the Department of Revenue immediately as this could affect the validity of this certificate.**

It will be necessary for you to return the original Certificate to this office if your account is ever closed or cancelled.

**SCHEDULE OF EXEMPTION UNDER SECTION 12-36-2120 of Article 21**

Dec 01, 2016 (9)(a-d) Coal, coke, or other fuel for manufacturers, transportation companies, electric power companies, and processors

Dec 01, 2016 (17) Machines used in manufacturing, processing, recycling, compounding, mining, or quarrying tangible personal property for sale. This includes certain machines used to prevent or abate air, water, or noise pollution caused by machines used in manufacturing, processing, recycling, compounding, mining, or quarrying tangible personal property for sale

Dec 01, 2016 (19) Electricity used to manufacture, process, mine, or quarry tangible personal property for sale or used by cotton gins to manufacture tangible personal property for sale

**EXCLUSIONS UNDER SECTION 12-36-120 of Article 1**

Dec 01, 2016 (2) Sales of tangible personal property to a manufacturer or compounder as an ingredient or component part of the tangible personal property or product manufactured or compounded for sale.

**Attachment 1**

**LETTER TO BE USED WHEN CONSTRUCTION**

**CONTRACTORS ARE FURNISHING EXEMPT PROCESSING MACHINERY**

We have placed with you our Purchase Order Number \_\_\_\_\_

for a construction contract which includes tangible personal property for use at our plant located in the vicinity of \_\_\_\_\_

\_\_\_\_\_

This tangible personal property will become part of our manufacturing machinery which is exempt from the South Carolina sales and use tax under Section 12-36-2120, Paragraph 17.

Please do not pay or bill us for sales and use tax on these materials. You may advise your suppliers that the materials are being used to construct tax exempt processing machinery for

\_\_\_\_\_

Who holds Direct Pay or Exemption Certificate Number \_\_\_\_\_, which may not be extended to your suppliers, but is merely evidence that \_\_\_\_\_

\_\_\_\_\_ is exempt by statute.

The purpose of this letter is to enable you to purchase certain machines, to include their parts and attachments, free of the South Carolina sales/use tax as provided at the above cited South Carolina Code Section. No other tangible personal property such as construction equipment, supplies, building material, etc. may be purchased tax free.

Should this letter be used to purchase machines, parts and attachments thereto which do not fall within the exemption, free of the tax and it is later determined to be subject to the South Carolina sales and/or use tax, \_\_\_\_\_, will reimburse

\_\_\_\_\_

for such tax paid to the South Carolina Department of Revenue and Taxation.