



# COMMONWEALTH of VIRGINIA

## *Department of Taxation*

### MEMORANDUM

**TO:** Larry Durbin  
Office of Customer Relations, Customer Services

Ron Holt  
Richard Dotson  
Office of Customer Relations, Compliance

**FROM:** Mike Melson *mm*  
Appeals and Rulings

**DATE:** July 12, 2002

**SUBJECT:** Federal Government Credit Card Purchases

This is to notify you that the department's policy on federal government credit card purchases is set out on the department's website. The information can be accessed from the home page under Businesses using the links for What's New or Sales and Use Tax.

We recently issued P.D. 02-105 (6/28/02) to the U.S General Services Administration (GSA) which clearly identifies the credit cards issued under the GSA SmartPay Program and that are billed directly to the federal government. Purchases made using these credit cards qualify for the government exemption in Code of Virginia § 58.1-609.1(4). Of particular note is the fact that an exemption certificate or purchase order is no longer necessary when making purchases using these cards because the exempt (or taxable) status of the cards can be determined by the card account numbers.

Copies of P.D. 02-105 and the website information are attached. If you have questions, please contact me at 7-0033 or Valerie Marks at 7-0964.

Attachments (2)

c: Kenneth Thorson  
Janie Bowen  
Appeals and Rulings Staff  
Policy Development Staff  
Audit Supervisors