

Subject Prepared food exemption for certain nonprofit organizations

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Summary

This bill modifies the current sales tax exemption provided to charitable, religious, or educational nonprofit organizations to include the sale of prepared food, so long as the prepared food is distributed by the organization in furtherance of its exempt purpose.

Under current law, sales to nonprofit organizations are exempt so long as the items purchased are used in performance of the nonprofit's charitable, religious, or educational functions. However, current law excludes the sale of prepared food from the exemption.

This bill is effective for sales and purchases made after June 30, 2026.