



January 2, 2007

**Vendor Notice concerning Washington Savannah River
Company Exemption from Payment of South Carolina
Sales and Use Tax**

Dear Vendor:

Washington Savannah River Company (WSRC) is the Prime Contractor managing and operating the Savannah River site for the United States Department of Energy. All purchases for goods and services made by WSRC in its role as prime contractor for the Savannah River site become the property of or are for the benefit of the U. S. Government. All goods purchased are consumed or incorporated into projects at the Savannah River site in Aiken, South Carolina. None of the purchases are made for the purpose of resale. Accordingly, the South Carolina Sales and Use Tax Act, Chapter 12-36-2120 Paragraph 29, provides for the exemption of WSRC as follows: “Exempted from the taxes imposed by this chapter are the gross proceeds of sale or sales price of: (Paragraph 29) tangible personal property purchased by persons under a written contract with the federal government when the contract necessitating the purchase provides that title and possession of the property is to transfer from the contractor to the federal government at the time of purchase or after the time of purchase.”

Please call me at (803) 952-8844 or E-mail me at wsrc-acctspay@srs.gov if you have any questions.

Sincerely,

R.K. Bromley, Manager
Accounts Payable Department
Washington Savannah River Company

WASHINGTON SAVANNAH RIVER COMPANY



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
EXEMPTION CERTIFICATE

ST-9 (Rev. 9/9/03) 5011

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

WASHINGTON SAVANNAH RIVER COMPANY L
730 4B ROOM 1070
AIKEN, SC 29808

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:
WASHINGTON SAVANNAH RIVER COMPANY L
1993 S CENTENNIAL AVE SE
AIKEN, SC 29808
ALL LOCATIONS
AMENDED CERTIFICATE

CERTIFICATE NUMBER 2012935-000
DATE ISSUED: 02/15/06
EXEMPTIONS: 19

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.

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

- (7) Coal, or coke or other fuel sold to manufacturers, electric power companies, and transportation companies for:
 - (a) Use or consumption in the production of by-products;
 - (b) The generation of heat or power used in manufacturing tangible personal property for sale. For purposes of this item, 'manufacturer' or 'manufacturing' includes the activities of a processor;
 - (c) The generation of electric power or energy for use in manufacturing tangible personal property for sale; or
 - (d) The generation of motive power for transportation. For purposes of this item, 'manufacturing' includes the activities of mining and quarrying.
- (9) Supplies and machinery used by laundries, cleaning, dyeing, pressing or garment or other textile rental establishment in the direct performance of their primary function, but not sale of supplies and machinery used by coin-operated laundromats;
- (11) Wrapping paper, wrapping twine, paper bags and containers, used incident to the sale and delivery of tangible personal property;
- (12) Electricity use by cotton gins, manufacturers, miners, or quarriers to manufacture, mine, or quarry tangible personal property for sale. For purposes of this item, 'manufacturer' or 'manufacturing' includes the activities of processors.
- (13) Machines used in manufacturing, processing, recycling, compounding, mining, or quarrying tangible personal property for sale. 'Machines' include the parts of machines, attachments, and replacements used, or manufactured for use, on or in the operation of the machines and which (a) are necessary to the operation of the machines and are customarily so used, or (b) are necessary to comply with the order of an agency of the United States or this State for the prevention or abatement of pollution of air, water, or noise that is caused or threatened by any machine used as provided in this section. This exemption does not include automobiles or trucks. As used in this item 'recycling' means any process by which materials that otherwise would become solid waste are collected, separated, or processed and reused, or returned to use in the form of raw materials or products, including composting, for sale. In applying this exemption to machines used in recycling, the following percentage of the gross proceeds of sale, or sales price of, machines used in recycling are exempt from the taxes imposed by this chapter: Fiscal Year of Sale Percentage, Fiscal year 1997-98 fifty percent; after June 30, 1998, one hundred percent.