**Hazardous Materials Surcharge**

A hazardous materials surcharge went into effect on July 1, 2004. This surcharge was established to help ensure that ISU is able to adequately fund and manage the growing quantity of hazardous waste materials being regulated and disposed of.

A 5% surcharge is imposed on purchases which require the most oversight, with a 1.75% surcharge for those requiring less. Transactions paid entirely with sponsored funding (4xx accounts) will be exempted from the surcharge, split funding charges will be adjusted accordingly. Sponsored funding is exempted due to internal fees already being included in our idc rate negotiations. If an expense is moved from a non-sponsored funding source to a sponsored funding source, the hazardous materials surcharge cannot be moved to the 4xx account. The object code name posts as “Hazardous Materials Surcharge” and has a 0678 object code number.

Items that are subject to the surcharge include art supplies, automotive parts and supplies, some audio/video equipment, batteries, biological supplies, cleaning supplies, chemicals, computer hardware and peripherals, drugs and pharmaceuticals, certain electrical parts, fertilizers, laboratory gases, laboratory equipment , medical supplies, paint, petroleum products, photo equipment, film processing supplies, radioactive materials, tires, veterinary equipment and supplies, water softening and water conditioning chemicals, and X-ray film processing supplies. A complete list with the surcharge rate can be found in a link at the website referenced below.

Additional detail can be found on Purchasing’s website at <http://www.purchasing.iastate.edu/regulated/surcharge.html>

Questions addressed include:

* [Why is there a surcharge on certain items acquired by the university?](http://www.purchasing.iastate.edu/regulated/surcharge.html#why)
* [How will the surcharge be calculated?](http://www.purchasing.iastate.edu/regulated/surcharge.html#calculated)
* [What items are subject to the surcharge?](http://www.purchasing.iastate.edu/regulated/surcharge.html#items)
* [Are all types of purchases subject to the surcharge?](http://www.purchasing.iastate.edu/regulated/surcharge.html#transactions)
* [How will surcharges be applied to contract order items?](http://www.purchasing.iastate.edu/regulated/surcharge.html#appliedcontract)
* [How will surcharges be applied to items purchased on individual purchase orders?](http://www.purchasing.iastate.edu/regulated/surcharge.html#appliedindividual)
* [How will I know that a surcharge will be applied to my purchase order?](http://www.purchasing.iastate.edu/regulated/surcharge.html#appliedorder)
* [Where will I see the surcharge on a voucher?](http://www.purchasing.iastate.edu/regulated/surcharge.html#voucher)
* [How will I recognize the voucher’s surcharge in the university’s accounting system?](http://www.purchasing.iastate.edu/regulated/surcharge.html#accounting)
* [Will the surcharge appear on the purchasing card reallocation screen?](http://www.purchasing.iastate.edu/regulated/surcharge.html#reallocation)
* [How are the surcharges applied to Purchasing Card transactions?](http://www.purchasing.iastate.edu/regulated/surcharge.html#appliedcard)
* [How will I recognize the purchasing card’s surcharge in the university accounting system?](http://www.purchasing.iastate.edu/regulated/surcharge.html#accountingcard)
* [How will surcharges on computers, peripherals, and related items be applied?](http://www.purchasing.iastate.edu/regulated/surcharge.html#computers)
* [Will there be an encumbrance for surcharges?](http://www.purchasing.iastate.edu/regulated/surcharge.html#encumbrance)
* [Are there applicable limits to the surcharge?](http://www.purchasing.iastate.edu/regulated/surcharge.html#limits)