

**UNIVERSITY OF HOUSTON SYSTEM
ADMINISTRATIVE MEMORANDUM**

SECTION: Fiscal Affairs

NUMBER: 03.A.16

AREA: General

SUBJECT: Professional License Fees

1. PURPOSE

- 1.1. This document prescribes policy regarding payment of professional license fees and state occupational taxes (Tex. Tax Code Ann. Section 191.141 et. sec. [Vernon 1992]) from component university funds. This includes required fees for attorneys, certified public accountants, architects and engineers, among others.

2. POLICY

- 2.1. Component university funds, including state appropriated funds, may be used for payment of professional license fees and state occupational taxes under the following conditions:
- a. The license is required by the state to practice;
 - b. The license is considered a requirement of the position of the employee; and
 - c. Funds are available and budgeted for the expenditure by the appropriate department.
- 2.2. Payment may be made by the individual and reimbursed according to Administrative Memorandum 03.A.14 - Reimbursement for Travel and Other Expenditures or may be made directly to the licensing agency by the component university.

3. EXEMPTION

- 3.1. Attorneys employed by state agencies are exempt from the occupational tax.
- 3.2. A certification, signed by the Vice Chancellor for Administration and Finance, must be submitted to the Texas State Comptroller showing the name, Texas State Bar number and Social Security number of each attorney employed.

4. REVIEW AND RESPONSIBILITIES

Responsible Party: Associate Vice Chancellor for Finance

Review: Every three years on or before April 1

5. APPROVAL

Approved: Randy Harris
Vice Chancellor for Administration and Finance

Arthur K. Smith
Chancellor

Date: October 11, 2001

6. INDEXING TERMS

License fees
Occupational taxes