

Establishment of Retail Sales Tax Liability for Certain Sellers Registered Under the Streamlined Sales and Use Tax Agreement (SSUTA)

This publication clarifies when the Department of Revenue may establish a retail sales tax liability for a seller registered under the SSUTA based solely on that seller's failure to timely file its retail sales tax return, if the seller has no legal requirement to register with Washington.

The Department of Revenue has broad authority to establish estimated tax liabilities where returns are not filed (RCW 82.32.100). State law further provides the legislative intent that the administration and collection of state and local sales and use taxes be interpreted and applied consistently with the SSUTA (RCW 82.02.210).

SSUTA provides that, prior to establishing a retail sales tax liability based solely on the seller's failure to timely file a return, member states will give at least thirty (30) days notice for a seller to file its return if the seller is registered under the SSUTA and has no legal requirement to register with Washington.

Accordingly, Department of Revenue provides the sellers described above with no less than thirty (30) notice, during which these sellers may file their returns, prior to establishing a retail sales tax liability based solely on the failure to timely file a return.

Note: Washington may establish a liability earlier based solely on a seller's failure to timely file a return if the seller has a history of non-filing or late filing.