

## Voluntary Disclosure Survey – Comments from States

### Arkansas

Strictly by administrative practice and not by statutory authority or formal policy

### Georgia

(1) VDA will be brought current to registration date, taxes and interest for prior 3 years will be due

(2) Administrative Practice <http://dor.georgia.gov/voluntary-disclosure-agreements>

### Iowa

(1) Iowa Admin. Code r. 701-3 <https://www.legis.iowa.gov/docs/aco/chapter/701.3.pdf>

(2) A retailer with nexus in Iowa is required to collect and remit Iowa sales tax, even if unregistered. Under the Iowa VDA, Iowa typically forgives part of the penalty and interest for previously unremitted sales tax. The retailer must agree to allow the Department to examine the retailer's books and determine the tax owed for a look back period, typically the latest 50% of the returns normally required, with a maximum of five years prior to the VDA. Odd periods are determined based upon the Nexus month and will go in the Department's advantage.

### Indiana

(1) <https://secure.in.gov/dor/3616.htm>.

### Kansas

(1) <http://www.ksrevenue.org/voluntary.html>

### Kentucky

(1) Rely on KRS 131.020

(2) <http://www.lrc.ky.gov/Statutes/statute.aspx?id=43240>

### Michigan

(1) VDA is effective when signed by the person subject to the agreement or his or her lawful representative (Certified Service Provider for example) and returned to the Department within the time specified in the agreement and officially acknowledged by MI

(2) The Voluntary Disclosure Act (Public Act 221 of 1998) Reference Michigan Compiled Law 205.30c  
<http://legislature.mi.gov/doc.aspx?mcl-205-30c>

### Minnesota

(1) [http://www.revenue.state.mn.us/businesses/Pages/voluntary\\_compliance.aspx](http://www.revenue.state.mn.us/businesses/Pages/voluntary_compliance.aspx)

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### Nevada

(1) Nevada does not participate in anonymous VDAs. That being said, here is how Nevada handles VDAs:

2) A taxpayer can apply for a Voluntary Disclosure even if they are registered for another tax type. For instances, if they are registered for SUT they can apply for a Voluntary Disclosure of BUS or MBT.

3) The look back period is 8 years (not open for negotiation because it is statutorily imposed) and they must file a Voluntary Disclosure Application, NBR, Supplemental, Fees and Tax Returns. To make the process easy for both the taxpayer and accounting, the taxpayer can file quarterly returns during the VDA period, even if their sales are over \$10,000/mo.

4) The criteria for qualifying for a VDA is that the taxpayer cannot be under audit or have been contacted by the Dept regarding the tax type they are disclosing. If a RO has contacted the taxpayer regarding a delinquent MBT the taxpayer can still qualify for voluntary disclosure of SUT or BUS if the RO did not discuss a liability of other tax types.

5) If a 3rd party administrator sends in the VDA and NBR, a Power of Attorney is not required.

6) If a taxpayer is filing VDA's in multiple states and can't file the Nevada Tax returns within the 90 days and extension may be granted.

7) Once the Dept has received the VDA, NBR and Tax Returns, a decision will be made on whether an audit should be conducted. If we decide to audit and find an additional tax liability equaling 10% or more of the tax disclosed, the Dept will not waive the penalty and interest since the taxpayer did not make a good faith effort.

8) After the audit has been conducted or if we decide not to audit, the VDA and a request to waive the associated P&I will be placed on the NTC agenda. After the NTC has approved the P&I the fees will be adjusted from the account.

9) The taxpayer should disregard the delinquency notices and P&I billings for the VDA period until after the NTC sends out their decision letter.

10) If the taxpayer takes the full 90 days to submit their returns the entire VDA process can take 6-8 months, from start to finish.

### New Jersey

(1) We do not have an administrative policy that we can share. I have attached a link to our Voluntary Disclosure Page from our website. <http://www.state.nj.us/treasury/taxation/voldisc.shtml>

### North Carolina

(1) <http://www.dornc.com/practitioner/voluntary.html>

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### North Dakota

(1) North Dakota Century code section 57-39.2-18(1)(b)(4) provides Tax Commissioner authority to waive penalty and interest for good cause. Code section is on top of page 41

<http://www.legis.nd.gov/cencode/t57c39-2.pdf?20150911142702>

### Ohio

(1) [http://www.tax.ohio.gov/other/voluntary\\_disclosure.aspx](http://www.tax.ohio.gov/other/voluntary_disclosure.aspx)

### Oklahoma

(1) [www.tax.ok.gov](http://www.tax.ok.gov) Voluntary Disclosure Agreement Guidelines & Form 892 Application for Voluntary Disclosure

### Rhode Island

(1) [http://www.tax.ri.gov/misc/voluntary\\_disclosure.php](http://www.tax.ri.gov/misc/voluntary_disclosure.php)

### South Dakota

(1) [http://dor.sd.gov/Taxes/Business\\_Taxes/Tax\\_Types/Sales\\_and\\_Use\\_Tax/Voluntary\\_Disclosure.aspx](http://dor.sd.gov/Taxes/Business_Taxes/Tax_Types/Sales_and_Use_Tax/Voluntary_Disclosure.aspx)

(2) SD asks that a seller that submits a VDA and applies for a license prior to the VDA approval, contact the Department so we can assign the application to the person reviewing the VDA and don't duplicate licenses.

### Tennessee

(1) Pursuant to the terms of the agreement, the taxpayer is required to register within 30 days from the date the agreement is executed

(2) <http://tn.gov/revenue/article/voluntary-disclosure>

### Utah

(1) <http://tax.utah.gov/commission/effective/r861-01a-016.pdf>

### Washington

(1) The Voluntary Disclosure Program is an administrative program for which the Department has authority to administer as it deems appropriate. While the Program isn't specifically provided for in statute, it is largely based on the premise that the Voluntary Disclosure Agreement is a type of closing agreement under RCW 82.32.350.

### West Virginia

(1) <http://www.state.wv.us/taxrev/publications/tsd/tsd412.pdf>

(2) Interest is statutory from the due date of the return.

### Wisconsin

(1) ) <https://www.revenue.wi.gov/pubs/voldis.html>

<https://www.revenue.wi.gov/faqs/ise/disclose.html>

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### Wyoming

(1) As a general rule, Wyoming's VDA process takes no more than six weeks

(2) The VDA process is provided by administrative practice allowed under 39-11-102 (b). (b) "The department of revenue is created pursuant to W.S. 9-2-2007. The governor shall appoint a director who shall exercise all management authority over agency personnel. The director may formulate the policies and programs to be carried out by the department through its respective divisions and adopt suitable rules and regulations pursuant to the provisions of the Wyoming Administrative Procedure Act."