

## Summary of Responses Received

### Survey on Voluntary Disclosure Agreements and Registering Through Streamlined

Name of Person Completing Survey \_\_\_\_\_

Date Completed \_\_\_\_\_

Sellers (and CSPs on behalf of sellers) have contacted the Streamlined Sales Tax Governing Board (“Streamlined”) to help them determine whether they can register to collect and remit sales and use taxes through the Streamlined Central Registration System when a seller is also in the process of entering into a voluntary disclosure agreement (VDA) with one or more of the Streamlined member states.

These sellers have generally identified a past collection responsibility and they seek to get properly registered in one or more of the states so that they can begin collecting and remitting the appropriate sales and use taxes for the Streamlined states as soon as possible. These sellers also know that while the VDA is being considered by the state, additional liability from not collecting the tax from their customers is continuing to accrue. They want to limit this exposure by being able to start collecting the tax from their customers and remitting it to the Streamlined states as soon as possible. However, sellers are concerned that some Streamlined states will not allow them to participate in the state’s VDA process if they begin collecting and remitting the tax before a VDA is finalized.

**Example** – Seller A is not currently registered in any of the SST states. Seller A has determined that it should have been collecting and remitting sales tax to a Streamlined state. Seller A (directly or through its representative) sends in an anonymous voluntary disclosure request to State X on January 15, 2015. State X acknowledges receipt of the request on February 20, 2015. Seller A and State X sign the finalized VDA on July 10, 2015.

## Questions

1. If Seller A submits a VDA to your state and the seller wants to get registered through Streamlined as soon as possible to start collecting and remitting the appropriate sales and use tax to your state, what is the **earliest date** Seller A (or its representative such as a CSP) can register with your state **without it adversely affecting the VDA**?

- \_\_\_5\_\_\_ It does not matter when the seller registers. The seller can register even before a VDA is submitted (skip to question 4). (AR, IN, KS, OH, UT)
- \_\_\_11\_\_\_ As soon as the VDA is initially submitted to the state (January 15, 2015 in the example) (skip to question 4). (KY, MN, NJ, ND, OK, RI, SD, TN, WA, WV, WI)
- \_\_\_3\_\_\_ Must wait until receipt of the VDA has been acknowledged by the state (February 20, 2015 in the example). (MI, NC, WY)
- \_\_\_2\_\_\_ Must wait until the final VDA is signed (July 10, 2015 in the example). (GA, IA)

2. If your state requires Seller A to wait until the VDA is acknowledged or finalized before registering with the state, what should the seller do between the date the VDA was submitted (January 15, 2015 in the example) and the date you allow the seller to register based on your response above?

- \_\_\_2\_\_\_ Not collect or remit any tax since they are not yet registered in your state. (GA, MI)
- \_\_\_3\_\_\_ Collect the appropriate tax even though they are not yet registered and then remit the tax collected based on when the state wants the seller to register. (IA, NC, WY)

3. What happens if Seller A collects tax between the time it submits the VDA and when the VDA is finalized but the seller waits to register until the VDA is finalized?

- \_\_\_4\_\_\_ Not preferred, but nothing as long as the seller remits the taxes collected as soon as the VDA is finalized. (IA, MI, NC, WY)
- \_\_\_1\_\_\_ Regardless of the submission of a VDA, the seller cannot legally collect any tax until the seller is properly registered in the state. (GA)

4. Is the VDA process in your state provided statutorily, by administrative rule, by administrative policy or other?

  2   Statutorily (please provide a link to the statute) (MI, ND)

  2   By administrative rule (please provide a link to the rule) (IA, UT)

 11   By administrative policy (please provide a link to the policy) (IN, MN, NJ, NC, ND, OH, OK, RI, SD, WA, WV)

  7   Other (please provide a link or explanation) (AR, GA, KY, TN, WA, WI, WY)

AR – Admin practice – no formal policy

GA – Admin practice

KY – General DOR duties statute

TN – Article

WA – Admin practice by DOR

WI – ???

WY – Admin practice

5. Please provide any additional comments below.

States not responded yet – NE, VT