

How do I register?

Contact the state revenue agencies in your market for information and registration forms. The addresses and phone numbers of the SEATA member states are listed below for your convenience.

Alabama Department of Revenue
Business Registration Unit
P.O. Box 327100
Montgomery, AL 36132-7100
Telephone (334) 242-1170
www.revenue.alabama.gov/salestax/register.html

Arkansas Department of Finance and Administration
Sales and Use Tax Section
P.O. Box 1272
Little Rock, AR 72203-1272
Telephone (501) 682-7104
www.state.ar.us/dfa

Florida Department of Revenue
Central Registration, Bldg. E
5050 West Tennessee Street
Tallahassee, FL 32399-0100
Telephone (850) 488-9750
www.myflorida.com/dor

Georgia Department of Revenue
Taxpayer Service Division
1800 Century Blvd., Suite 7100
Atlanta, GA 30345
Telephone (404) 417-2400
www.etax.dor.ga.gov

Kentucky Department of Revenue
Taxpayer Registration Section
P.O. Box 299
Frankfort, KY 40602-0299
Telephone (502) 564-3306
www.revenue.ky.gov

Louisiana Department of Revenue
Taxpayer Services, Sales Tax Division
P.O. Box 201
Baton Rouge, LA 70821-0201
Telephone (225) 219-7356
www.revenue.louisiana.gov

Mississippi State Tax Commission
Collections Division
Out-of-State Registration Section
P. O. Box 23338
Jackson, MS 39225
www.mstc.state.ms.us

North Carolina Department of Revenue
P.O. Box 25000
Raleigh, NC 27640
www.dornc.com

South Carolina Department of Revenue
Attention: License and Registration Unit
P.O. Box 125
Columbia, SC 29214
Telephone (803) 898-5872
www.sctax.org

Tennessee Department of Revenue
Taxpayer and Vehicle Services - Third Floor
Andrew Jackson State Office Building
Nashville, TN 37242
Telephone (615) 253-0600
www.tennessee.gov/revenue

Virginia Department of Revenue
P.O. Box 1115
Richmond, VA 23218-1115
Telephone (804) 367-8037
www.tax.virginia.org

West Virginia State Tax Commission
P.O. Box 2389
Charleston, WV 25328-2389
Telephone (304) 558-3333
www.state.wv.us/taxrev

SOUTHEASTERN ASSOCIATION OF TAX ADMINISTRATORS



**Richard H. Roberts
Commissioner**



Tennessee Department of Revenue



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States have found it difficult to collect sales and use tax from some businesses that operate across state lines. New multi-state marketing strategies have resulted in an annual estimated loss of millions of dollars in use tax collections. The SEATA Information Exchange Agreement helps to curb this revenue loss.

What is SEATA?

SEATA is a professional organization of tax administrators in the southeastern states. This group promotes fair, equitable, and efficient means of tax administration. The SEATA member states are Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia.

What is the SEATA Information Exchange Program?

SEATA sponsors a program to exchange tax information among its member states to facilitate tax administration and compliance across state boundaries.

What is the use tax?

States that impose a sales tax on purchases also tax the use of property if it is brought into that state untaxed and is otherwise taxable. This tax is commonly referred to as a use tax. The use tax complements the sales tax by subjecting untaxed merchandise purchased from an out-of-state source to the tax.

While the seller is responsible for the collection and remittance of the sales tax, the consumer (or customer) is responsible for remittance of the use tax. Use tax applies to non-taxed purchases from sources such as mail order catalogs, television shopping networks, auctions, and toll free (1-800) telephone shopping services. Individuals that travel out of state and purchase untaxed merchandise that is shipped to their homes are also liable for the use tax in their resident state.

Why is another state's use tax important to me?

The use tax represents a large source of revenue for the states. If the tax goes uncollected, the lost revenue must be made up in other ways such as higher tax rates. If the use tax is collected, the overall tax burden is lightened.

Competition is another reason the use tax is important. Businesses in your state are at a disadvantage since they must add sales tax to the price of their merchandise while many out-of-state vendors do not. The

local merchant not only collects the sales tax, but also pays income and property taxes, provides jobs, and serves the community in other ways.

Customer relations is also an important consideration. Residents that purchase untaxed merchandise from out-of-state vendors are liable for the use tax. The southeastern states have begun collecting use tax, penalty, and interest on these untaxed purchases.

Customers are accustomed to being charged tax on their purchases and are often times unaware that an out-of-state vendor has not charged them tax. Once the untaxed transaction is discovered by the customer's state revenue agency, the customer will be billed for tax, penalty, and interest. The possibility of a dispute between the vendor and customer can then arise over whose responsibility it is to collect tax. While the vendor may not be liable in the technical sense, the preservation of good customer relations can be easily accomplished by voluntarily registering with all market states.

How does the SEATA Program affect me?

States use such information exchange agreements to ensure transactions are fairly taxed. The SEATA states are working together in two areas that may affect you and your customers:

1. Voluntary Remittance Registration:

Businesses are encouraged to voluntarily register with their market states to collect use tax from out-of-state customers. If you voluntarily register to collect tax on behalf of your market states, you can help prevent your customers from being billed by one of the southeastern revenue agencies for use tax, penalty, and interest.

2. Audit Verification:

Member states are collecting and exchanging audited sales and purchase information on behalf of other member states so that use tax can be properly collected from the customer. Customers of these businesses will be contacted for collection of use tax, penalty, and interest.

Why should I register to collect use tax for another state?

If you have a business presence in a state, you are required to register with that state for tax purposes. Examples of business presence (or nexus as it is sometimes referred to) include having property in that state, making regular deliveries of your merchandise, providing repair services, or sending your representatives to solicit orders.

Even if you do not have a business presence in your out-of-state markets, your registration with those states will prevent your customers from being billed for use tax, penalty, and interest. Your registration will provide a service to your customers and also eliminate the tax advantage that attracts customers to purchase across state lines. Each member state can provide specifics on voluntary use tax remittance registrations.

What happens if I do not register voluntarily?

The member states are exchanging information on businesses and their interstate transactions. If you make sales into a member state and do not register, you could be audited by the member state(s) with tax jurisdiction. If business presence is established in any of the member states, you may be held liable for all unpaid taxes, penalties, and interest. If you do not have a business presence in a state and do not voluntarily register to collect the tax, your customers could be contacted for collection of the use tax, penalty and interest on their purchases.

Will registration with my market states make me liable for any past use tax?

Registration alone does not make you liable for any past uncollected use tax assuming you do not have a business presence in that state or have not collected any tax on behalf of that state. If you have a business presence in a state, you may be held liable for past taxes due. You should contact each of your market state revenue agencies for more details.

Will registration with my market states for use tax collection make me liable for other taxes?

Registration for use tax collection alone will not subject you to additional taxes in that state. However, if you have been liable for other taxes all along, you will still be expected to comply.