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When you have a sales tax problem,
we are the solution!

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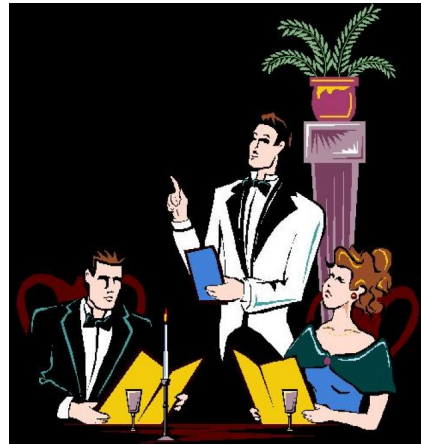
info@SalesTaxDefense.com

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There's No Such Thing as a Free Lunch

Everybody loves to go out to eat. Whether it is a treat, a convenience, or something that has simply become part of today's society, eating out at restaurants is a frequent occurrence for most people. With so many customers and a large cash sale basis, restaurants in particular need to keep good records for sales tax purposes.

In general, all food and beverage sold by restaurants are subject to sales tax. Usually this would mean that sales tax is calculated on the total price of the check. However, with the economy still hurting, customers often use coupons at restaurants. Last month the Tax Department issued a memorandum (TSB-M-10(13)s) that explains how coupons should be treated for sales tax purposes. Coupons can either provide a discount for the entire check or for a single meal on the check. Furthermore, the amount of sales tax due is affected when the restaurant will not be reimbursed for the discount given by the coupon.



A coupon may save a customer money overall, but sales tax must still be paid. When using a coupon, the restaurant applies the discount and then calculates sales tax on the remaining amount. Sales tax is only due on the discounted bill, assuming that the restaurant does NOT receive a reimbursement for the coupon from a third-party.

The Tax Department audits many many restaurants each year. By issuing a memorandum that discusses how restaurants should treat coupons for sales tax purposes, we believe that this is an area that the Tax Department will be looking at more closely. We recommend that all companies, restaurants or not, ensure that they are correctly calculating sales tax when coupons and discounts are applied.

At Sales Tax Defense LLC we specialize in working with you, your business and your accountant or attorney to resolve your tax problem. In addition to helping resolve the problem at hand we also make recommendations that should help prevent similar problems from arising in the future. While we understand that the Sales and Use Tax Law is extremely complex and many people misinterpret the regulations while trying to follow the law, we believe it is incredibly important to try to prevent future mistakes from occurring so that one never has the same problem again.

Seminar News

Sales Tax Defense Moderates Tax Controversy Seminar at Local College

The Tax Institute at C.W. Post, a local college located in Brookville, NY, hosts a Tax Controversy conference each summer. This year, the Managing Partner of Sales Tax Defense LLC, Mr. Mark Stone, was selected to moderate and help organize the annual two-day federal and state tax conference; attendees of the conference received 16 CPE CREDITS if they attended both days.

Some of the many topics discussed at this conference included Offers-in-Compromise, Installment Payment Agreements, and New York State's Voluntary Disclosure Program. In addition to Mark's informative presentations regarding these topics, numerous guest speakers made presentations as well.

This year's conference was a special treat as Taxpayer Advocates from both the New York State Department of Taxation & Finance and the Internal Revenue Service gave presentations of their own. Sales Tax Defense LLC would like to thank Mr. Jack Trachtenberg and Ms. Cathy Boyden for their time and effort.

UPCOMING SEMINARS:

Please visit our news page to see an updated list of our upcoming seminars.

About Us

We are a dedicated team of sales and use tax professionals who have committed our careers to helping businesses and fellow professionals with sales and use tax problems. Since the only work we are focused on is sales tax consulting, businesses never have to be concerned that we will try to sell them other services they do not need. And professionals never have to be concerned with us encroaching on their client relationships, because we view you, our fellow professional, as our client.

Sales Tax Defense LLC | Phone: 631-491-1500 | info@salestaxdefense.com

www.SalesTaxDefense.com | 2106 Deer Park Avenue, Deer Park, NY 11729

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