



WE'VE ALL MADE MISTAKES



We've all made mistakes. Sometimes we make small mistakes like spilling a glass of milk and sometimes we make big mistakes like not seeing a gigantic iceberg that our ship eventually crashes into thereby sinking the Titanic (or not sharing the big door we're floating on in the freezing cold ocean with Leonardo DiCaprio... what the heck, Rose?)

Unfortunately, sometimes people make mistakes when filing their sales and use tax returns. There's certainly no shortage of reasons why people make mistakes. After all, Rose could have missed the filing deadline for her tax return while she was floating on that door.

Regardless of the reason, there are often better ways to address your mistake than simply filing an amended return or filing a previously unfiled return. This usually means a voluntary disclosure program. When you apply to enter a voluntary disclosure program, you're contacting the taxing authority to tell them about your mistake. In exchange, the taxing authority usually offers you some sort of benefit. The most common benefit offered is the abatement of penalties but some states also offer protection from criminal prosecution related to the underreporting.

Some states don't offer voluntary disclosure programs and for the states that do, the program itself varies from state to state. For example, in New York State, the program has been offered to any taxpayer (excluding shell corporations) and offers penalty abatement and protection from criminal prosecution related to the underreporting. However, in California, an out-of-state business that has already registered with the Board of Equalization is not eligible for the program for the periods where the business was already registered.

Other differences between the states simply stem from the actual voluntary disclosure process. For example, in New York State, you must disclose the taxpayer when an application is filed and should the taxpayer be accepted into the program, actual returns must be submitted. However, in Jersey, a request to enter the voluntary disclosure program can be made anonymously (initially, at least) and instead of submitting actual returns, New Jersey usually only requires you provide them with sales information.

In addition to voluntary disclosure programs, states occasionally offer tax amnesty programs. Amnesty programs are generally temporary as they address a specific event. For example, as discussed in one of our prior newsletters, many vendors discovered they had tax obligations with other states due to their participation in Amazon's Fulfilled by Amazon program. That amnesty program eventually ended.

Regardless of why you owe a taxing authority back taxes, Sales Tax Defense LLC can help you address the program in any state!

SUCCESS STORY: WHAT ARE THE SALES TAX RULES?



A business came to Sales Tax Defense LLC wanting to know the taxability of its sales in New York State & if necessary, put together an internal sales tax policy. The business created television commercials & previews. It was never registered for sales tax, never collected sales tax, and never remitted sales tax.

ABOUT THE FIRM



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

Sales Tax Defense LLC met with the business to obtain all the necessary facts and information needed to determine the correct tax treatment of the sales. We then outlined the rules the business should follow in a detailed memo. Furthermore, as we always do, we recommended that the business file sales tax returns even at times when no sales tax was due. Even filing zero returns is strongly beneficial as it starts the statute of limitations running to limit how far the state can go back and issue an assessment.

We registered the business as a New York State vendor, put together an internal sales tax policy, and put the business on the right track regarding sales tax in the future!

services they do not need. And professionals never have to be concerned with Sales Tax Defense LLC encroaching on their client relationships, because we view you, our fellow professional, as our client.

WHEN YOU HAVE A SALES TAX PROBLEM, *WE ARE THE SOLUTION!*

CALL: **631-491-1500**

CONTACT US!

“

"Mark,

Your staff is wonderful. Lot of incompetent people out there.but you have been honorable, and smart and effective."

-Vin G. CEO

MORE TESTIMONIALS

Phone: 631-491-1500

673 Deer Park Avenue

Dix Hills, NY 11746



This newsletter is not intended to be used as tax, legal or accounting advice.

[Update](#) / [Unsubscribe](#)

© Sales Tax Defense LLC