



First-of-the-Year Sales Tax & Use Tax Reminders:

The To Do List

Christine Martin

© Avalara

#1 Review Nexus

- Determine if you have **created nexus** in new jurisdictions
 - Payroll
 - Fixed assets
 - Contractors
 - Trade shows
- Is your business registered in jurisdictions where it's required?
- Update your nexus settings on the Admin Console



#2 Accrue Use Tax

- Make sure you've reported and paid use tax
 - Expenses
 - Inventory withdrawals
 - Fixed assets
 - P-cards
 - Asset transfers
 - Promotional items
- Develop a written use tax policy



3 Identify Filing Changes

- Filing frequency
- Filing method
- Payment method
- Prepayments
 - If multiple calculation methods, calculate all and determine most advantageous method

Be sure to notify Compliance team of any changes



#4 Renew business licenses

- Colorado
- Florida
- Tennessee



#5 Update Exemption Certificates

- Review certificates expiring within the next 60 days and request new certificates
 - Change customer tax status if new certificate isn't received
 - Florida certificates expire 12/31!
- Provide YOUR vendors with 2014 certificates

DR 0160 (07/03)
COLORADO DEPARTMENT OF REVENUE
DENVER CO 80261-0013

CERTIFICATE OF EXEMPTION FOR COLORADO STATE SALES/USE TAX ONLY

THIS LICENSE IS NOT TRANSFERABLE

USE ACCOUNT NUMBER for all references	LIABILITY INFORMATION	ISSUE DATE
98-03308-0000	04 017 N 120 80	DEC 18 2003

2 E VERMILJO COLORADO SPRINGS CO

COUNTY OF EL PASO
PO BOX 2007
COLORADO SPRINGS CO 80901-2007

M. Michael Cooke
Executive Director
Department of Revenue

SAMPLE



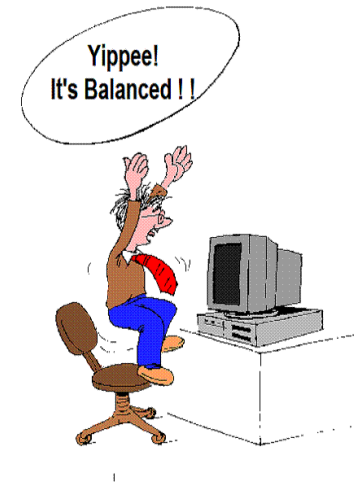
#6 Review your process for writing off bad debt

- Where possible, claim a tax credit for sales tax reported and paid and subsequently written off as bad debt



#7 Reconcile your sales tax payable general ledger accounts


- Make sure carryforward credits have not expired
 - Amend return if statute of limitation is about to expire
- Reclass discounts
- Research unexplained entries
- Research any unexplained balance



Relax...



Review: The Check List

-  Nexus
-  Use Tax
-  Prepayments
-  Business Licenses
-  Exemption Certificates
-  Bad Debt
-  Reconcile sales tax payable

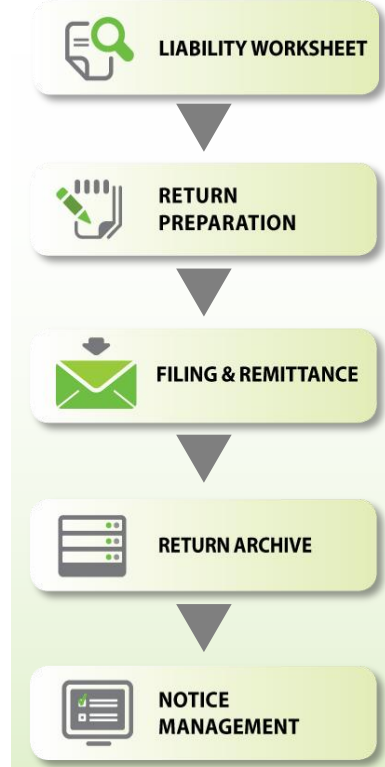
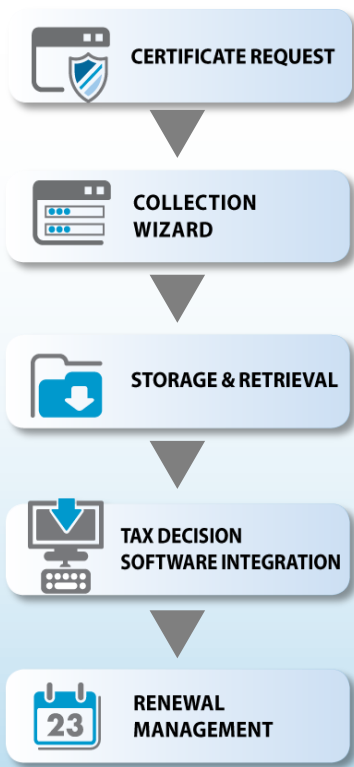


How Avalara Can Help

- Sales Tax Professional Services
 - Tax Registration
 - Nexus Analysis
 - Voluntary Disclosure
 - Audit Management
- Exemption Certificate Management
- 1099



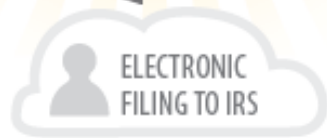
Elements of End-to-End Compliance



1099



1099 REPORTING DETAIL



1099

- SaaS delivery model for 1099 reporting
- Real-time TIN verification
- Visual/Intuitive data import tool
- Support for all form types (INT, MISC, DIV, K, 1042S, CAP, B, LTC, R, S, T, 3921, 3922)
- Automated annual year end 1099 processing
 - Print and mail by mandated date
 - Electronic transmission to state and federal authorities



Questions?

- Contact: Christine Martin, Sales Engineer
christine.martin@avalara.com
- -OR-
customer.loyalty@avalara.com

