

**North Carolina Department of Revenue  
Post Office Box 25000  
Raleigh, North Carolina 27640-0001**

**Streamlined Sales and Use Tax Agreement Amnesty**

The Streamlined Sales and Use Tax Agreement becomes effective on October 1, 2005 and includes provisions for limited amnesty for uncollected sales and use tax on taxable retail sales. North Carolina will be a "Full Member State" under the Streamlined Agreement and the amnesty provisions will apply for eligible taxpayers pursuant to G.S. 105-164.42K.

**Applicable Taxes**

The amnesty applies to sales or use taxes uncollected or unpaid on retail sales by a seller for any period prior to registration by the seller through the Streamlined Sales and Use Tax Central Registration System.

**Member States**

Full Member States - Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Nebraska, New Jersey, North Carolina, North Dakota, Oklahoma, South Dakota, West Virginia.

Associate Member States - Arkansas, Ohio, Tennessee, Utah, and Wyoming.

**Eligibility**

A seller who is not currently registered to collect sales and use taxes in a member state and who volunteers to collect or pay sales and use taxes in the member states by registering through the Streamlined Sales and Use Tax Central Registration System is eligible.

A seller is not eligible in a member state if one of the following applies

- The seller is currently registered in the member state to collect sales and use tax, or
- The seller had been registered in the member state within 12 months of the state becoming a member state, or
- The seller has received notice of an audit by the member state and the audit is not yet fully resolved, including any related administrative and judicial processes.

**Registration Period**

For full member states, the amnesty period will begin October 1, 2005 and will end September 30, 2006 unless a state provides otherwise. For North Carolina, the amnesty period will run from October 1, 2005 to September 30, 2006. For associate member states, the period will vary depending on the effective date of a state's compliance with the Streamlined Sales and Use Tax Agreement. A seller

must maintain its registration and continue to collect and remit applicable sales and use taxes for at least 36 months after the date of registration through the Streamlined Sales and Use Tax Central Registration System in a member state. If a seller does not maintain a registration for the required 36-month period or if a seller is found to have committed fraud or intentional misrepresentation in the application for registration, the amnesty may be voided by a member state.

### **Exclusions**

The following are not included in the amnesty provisions

- Sales or use taxes owed by a seller in its capacity as a purchaser.
- Sales or use taxes already paid or remitted to member states in which a seller is registered.
- Sales or use taxes collected by a seller that are unpaid to member states.
- Liability for taxes other than sales or use taxes.

### **Registration Process**

A seller can register on the website of the Streamlined Sales and Use Tax Central Registration System at <https://www.sstregister.org/sellers> to collect taxes for the member states after October 1, 2005.

The information provided by the seller will be sent electronically to all of the full member states and to associate member states for which the seller has chosen to collect sales or use tax.

Information obtained through the Streamlined Central Registration System may not and will not be used by a member state for determining nexus for other taxes.

### **Voluntary Disclosure Program**

A seller that is not eligible for amnesty under the provisions of the Streamlined Sales and Use Tax Agreement and G.S. 105-164.42K that has unpaid sales and use tax liabilities or other tax liabilities is encouraged to participate in the Department's Voluntary Disclosure Program. Information on this program is available on the Department's website under the Business Practitioner portal.