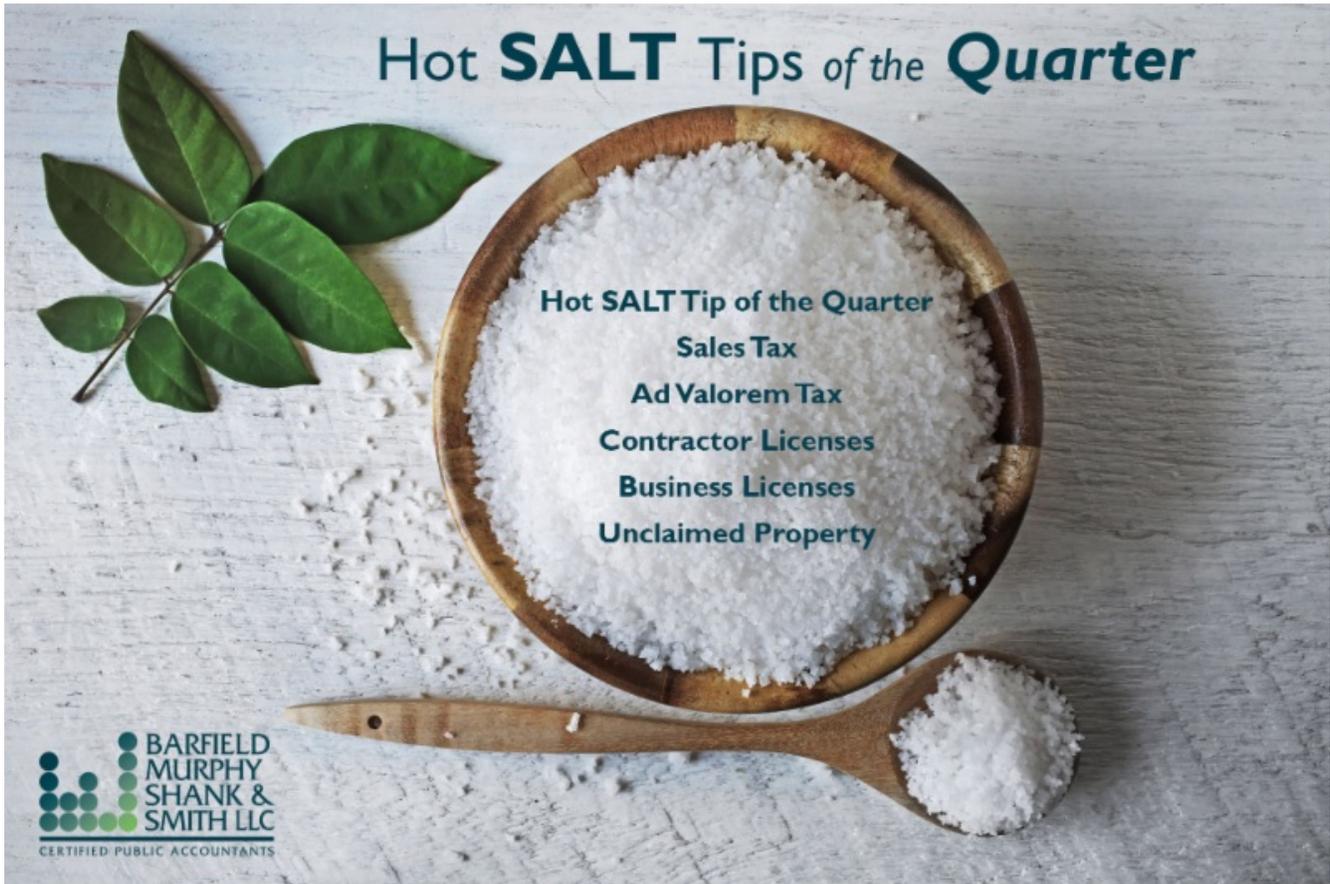


Hot **SALT** Tips of the **Quarter**



SUMMER
2018

Hot SALT Tip of the Quarter

Sales Tax and Wayfair

On June 21, 2018, the Supreme Court issued its decision on the South Dakota v. Wayfair, Inc. case (Wayfair). Wayfair primarily applies to "remote sellers," which are businesses without a physical presence in a state. Wayfair allows states to require remote sellers with a certain level of activity in a state to assess, collect and remit sales tax. The thresholds are usually tied to sales dollar thresholds and/or to a number of separate transactions. Click [here](#) for a more complete discussion and steps your company should be taking now.

Sales Tax

In Alabama, if a retailer quotes or advertises a lump sum price, for both tangible personal property and installation charges, the measure of tax includes the total amount received by the retailer. However, separately stated installation charges are not included in the tax base. Be sure to separately state installation charges when invoicing customers.

Ad Valorem Tax

Personal Property

County or state auditors could pay your company a visit to confirm the value of personal property at any time during the year. Generally, county auditors are required to canvas 25% of the businesses in their location each year. This could result in an ad valorem audit (or physical inspection) of your

company about every four years. Recordkeeping is important for ad valorem audits. Prepare for this by performing a physical inventory of your company's fixed assets on a yearly basis.

Contractor Licenses

Georgia Contractors

The State of Georgia currently has reciprocity with Louisiana, Mississippi and Tennessee for Contractor Licenses. To obtain a reciprocal Georgia license, a contractor must hold a current commercial contractor's license with a classification of "building construction" and a state exam must have been taken for the licensure. Once the reciprocity license has been approved, the applicant will be required to pass the Georgia business and law exam. If you have a license in Georgia and need verification to provide to another state when applying for a reciprocal license, the verification can be ordered online through the Secretary of State website [here](#). This website can also be used to verify that your license is current and up to date. For additional information on Georgia Contractor Licenses, please see the [FAQs](#) on the Georgia Secretary of State website.

Business Licenses

Please Be Aware

There are significant penalties for not properly obtaining business licenses or for late payments. It is unlawful to engage in business in a municipality without first obtaining a required business license. The municipality may charge a penalty, not to exceed \$500, for each offense. Each day constitutes a separate offense. These penalties are in addition to other late filing assessments and interest. Be aware that the company may be subject to multiple business license filing requirements if operating more than one line-of-business or in multiple jurisdictions. This may include state, city and county licenses. If your business has not been obtaining the appropriate business licenses, the company may be eligible to participate in a Voluntary Disclosure Agreement program, which will generally limit the look-back period to three years and waive penalties, but not interest

Unclaimed Property

Alabama's current Unclaimed Property reporting period covers July 1, 2017 to June 30, 2018. Any Unclaimed Property for which the dormancy period expires during this period is subject to reporting requirements. The report for the current period is due November 1st. Under Alabama Unclaimed Property law, a business is required to attempt to provide written notice to the apparent owner of Unclaimed Property between July 1 to August 31. Each state has Unclaimed Property reporting requirements, which vary as to dormancy periods, property subject to reporting, due diligence requirements, due dates, etc. Click [here](#) for the Alabama Unclaimed Property guidelines.

Contact

BMSS SALT Services Group

1 (833) CPA-BMSS

www.bmss.com

.....

Stay Connected



For more information on any of the SALT Tips here or other state and local tax needs, please contact the BMSS SALT Services Group.