



State of Wyoming

DEPARTMENT OF REVENUE

EXCISE TAX DIVISION

122 West 25th Street, 2-West, Cheyenne, Wyoming 82002-0110
Telephone:(307) 777-5200 Web:<http://revenue.state.wy.us> E-mail:dor@wy.gov

DIRECT PAYMENT OF SALES TAX

To: All Sales and Use Tax Vendors
From: Dan Noble, Administrator, Department of Revenue
Excise Tax Division
Date: December 8, 2000
RE: Direct payment of sales Tax

The Department of Revenue (hereafter "department") is pleased to announce the implementation of direct pay authority for qualified vendors. We will accept applications for direct pay authority immediately. To qualify for direct pay authority a vendor must meet the following criteria:

1. have in excess of \$5,000,000 in purchases during a calendar year.
2. be in good standing with the Department of Revenue.

Direct pay is an authority granted by the department that allows the holder of a direct pay permit to purchase otherwise taxable goods and services without payment of the tax to the supplier at the time of purchase. The holder of the direct pay permit is to timely review its purchases and make a determination of taxability and then report and remit the applicable sales tax due directly to the department. The direct pay permit holder is required to meet all the reporting and remittance deadlines that a normal vendor must meet.

Application must be made through the department. The department will evaluate each applicant on a case by case basis to determine if they are suitable for direct payment of sales tax. If their application is accepted they will be issued a direct pay number and a permit for each business location in the state of Wyoming.

As of January 1, 2001 all vendors will be required to have a copy of a direct pay permit on file where a taxpayer is claiming that they will accrue the tax and pay directly to the department. If a taxpayer claims that they are making an exempt purchase, the vendor must have a completed ETS 101 (Sales Tax Exemption Form) on file for the exempt transaction. All instances where a vendor cannot produce these forms will result in tax, penalty and interest being assessed to the vendor.

No taxpayer will be allowed to accrue sales tax as a direct payor without prior authorization of the department. If, through audit, the department discovers a taxpayer is accruing sales tax as a direct payor without prior authorization of the department, the taxpayer will be assessed penalty for each deficiency under W.S. 39-15-108(c)(i). The department will view this practice as an intentional disregard of rules and regulations established for direct payment of tax.

Please contact the Excise Tax Division to request an application for direct pay at (307) 777-5200.