

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 184

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Authors: Abrams and others

Subject: Eliminate the June accelerated sales tax payment

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Overview

Eliminates the requirement that certain retailers remit a portion of their June sales tax liability before the end of June. Under current law, vendors with an annual sales tax liability of at least \$120,000 in the prior year must remit 62 percent of their estimated June liability two business days before June 30. The remainder of the June liability is due August 14 and the actual return is due on August 25. Under this bills, these vendors would be required to remit their entire June collection by the 14th of the following month (August). This is consistent with when they must remit collections for the other months of the year. The first time this would be effective would be for the June 2002 liability.

Section

- 1 **Sales and use tax returns.** Eliminates the special provision that requires that June returns for vendors be filed by August 25, if the vendor has at least \$120,000 in annual sales tax collections. The return would now be due on July 25. This is consistent with due date for returns for other months.
- 2 **Sales and use tax.** Eliminates the requirement that vendors with annual sales tax liabilities of \$120,000 remit 62 percent of their June liability by two business days before the end of June, with the remainder due August 14.
- 3 **Repealer.** Repeals the penalty for underpayment of the accelerated June sales tax liability.