

Indiana Department of Revenue

Indiana Tax Handbook for New and Small Business Owners



July 2014

Introduction

Starting and succeeding in a new or small business is both a dream for many people and a challenge for all. And understanding taxes is often one of the biggest challenges.

The Indiana Department of Revenue wants you to succeed in your business – because its people like you who bring jobs, innovation, and progress to our state.

We hope this business tax handbook helps you set up your business for success. Please refer to page 50 of the handbook for contact information.

Launching a Business in Indiana

This handbook explains how to start a business and file and pay taxes in Indiana. There are six basic steps to create a business in Indiana.

1. Select your business structure.
2. Select your business name.
3. Register with the Indiana Secretary of State.
4. Determine which taxes you will need to pay at the state and federal levels.
5. Register with the IRS.
6. Register with the Indiana Department of Revenue by completing the BT-1.

Note: If you have employees, you also must register with [the Indiana Department of Workforce Development](#).

Of course, this is a very simplified list, and each step requires you to complete many tasks. To help guide you through these steps and better understand your business tax obligations, read this business tax handbook.

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Business Structures

The first step in starting your business is deciding which type of business organizational structure will best meet your business goals. The business organizational structure will determine how to "form" your business, how taxes are paid, and other details that affect day-to-day operation. The types of structures are outlined briefly below.

Informal Associations

With an informal association, you are not required to file with the Indiana Secretary of State, but you still have tax responsibilities. The types of informal associations are:

1. Sole proprietorship: One person who conducts business for profit. The sole owner assumes complete responsibility for all liabilities and debts of the business.
 - Tax: The income of the business is reported as part of the owner's personal income.
2. General partnership: Two or more individuals as co-owners of a for-profit business. Partnerships should operate under a written partnership agreement. All partners are responsible for the liabilities and debts of the partnership.
 - Note: If you and your spouse jointly own and operate an unincorporated business and share in the profits and losses, you are partners in a partnership, regardless of having a formal partnership agreement. This is often called a husband and wife business.
 - Tax: Partnerships enjoy single taxation. Income is reported as part of each partner's personal income.

Sole proprietorships and general partnerships need only file with the [county recorder](#) of their county. [Click here](#) to download the county recorder contact list.

Informal associations may need to register with the Indiana Department of Revenue and the Internal Revenue Service (IRS). Read the registration section to determine your registration requirements.

Source: [Indiana Secretary of State](#)

Independent Contractor

People such as doctors, dentists, veterinarians, lawyers, accountants, contractors, subcontractors, and auctioneers in an independent trade, business, or profession in which they offer services to the general public are usually independent contractors. However, whether they are independent contractors or employees depends on each case. The general rule is that you are an independent contractor if the payer has the right to control or to direct only the result of the work and not how it will be done. Independent contractor earnings are subject to self-employment tax.

Source: [Internal Revenue Service \(IRS\)](#)

For-profit Formal Associations

The following formal business associations require filing organizational documents with the Indiana Secretary of State:

1. **Corporation:** A legal entity created by filing Articles of Incorporation. The corporation itself assumes all liabilities and debts of the corporation. A corporation is owned by shareholders. A shareholder enjoys some protection from the corporation's debts and liabilities.
 - **Tax:** Income is taxed twice—at the corporate level and at either the employee level when a wage is paid or at the shareholder level when distributed as a dividend.
 - After filing Articles of Incorporation, a corporation may seek to obtain S corporation status for federal income tax purposes. The income of an S corporation is taxed only once, at the employee or shareholder level. To qualify, the corporation may not have more than 100 shareholders and must meet other criteria. The corporation must submit IRS [Form 2553](#) to the IRS. An S corporation is considered a corporation in all other respects and is not subject to additional or special filing requirements with the Indiana Secretary of State.
2. **Limited Liability Company (LLC):** An LLC is a formal association that combines the advantage of a corporation's limited liability and the flexibility and single taxation of a general partnership. An LLC has members rather than shareholders. A member enjoys protections from the LLC's liabilities and debts. Although not required by law, an LLC should operate under a written operating agreement, like a partnership or membership agreement.
 - **Tax:** If the LLC qualifies under IRS guidelines, it may be taxed only once, like a partnership, at the employee or member level while not having the same restrictions as an S corporation.
3. **Limited Partnership:** A partnership with at least one general partner and one limited partner. A limited partner's liability is limited to the amount invested, while the general partner(s) assumes all the partnership's liabilities and debts.
 - **Tax:** Partnerships have single taxation. Income is reported as part of each partner's personal income.
4. **Limited Liability Partnership (LLP):** A general partnership that elects to operate as an LLP. To operate as an LLP, a registration must be filed with the Indiana Secretary

of State. Unlike a general partnership, LLP partners enjoy protection from many of the partnership's debts and liabilities.

- Tax: Partnerships have single taxation. Income is reported as part of each partner's personal income.

Source: [Indiana Secretary of State](#)

Nonprofit Formal Associations

A nonprofit corporation's purpose is to engage in activities that do not provide financial profit to the benefit of its members. Such corporations must obtain nonprofit or tax-exempt status from the IRS and Indiana Department of Revenue to be free from certain tax burdens.

Note: Contact the IRS before filing or completing Articles of Incorporation. The IRS will recognize and provide tax-exempt status to a nonprofit corporation only if it meets certain criteria and guidelines. Read IRS [Publication #557](#), "Tax-Exempt Status for Your Organization," for more information.

If you apply for IRS federal tax exemption as a charitable organization, your Articles of Incorporation must contain a required purpose clause and a dissolution of assets provision. Valuable information on 501(c)(3) qualification is available on the [IRS website](#). It includes sample Articles of Incorporation.

Nonprofits that request the sales tax exemption must be recognized by the IRS as nonprofits, file an Indiana Nonprofit Application for Sales Tax Exemption ([Form NP-20A](#)), and annually file an Indiana Nonprofit Organization's Annual Report ([Form NP-20](#)) with the Indiana Department of Revenue.

Source: [Indiana Secretary of State](#)

Indiana Secretary of State Registration

Step 1: Selecting a Business Name

Indiana law requires that the name of a corporation, a LLC, a LP, and a LLP be distinguishable from the names of other businesses of the same type on the records of the Indiana Secretary of State's office. To check whether a particular name is available, search the [Indiana Secretary of State website](#).

This is a preliminary check only. You should not rely upon the preliminary search information. If the name is available, you may either [file an application](#) to reserve the name for 120 days (\$10 fee) or [file documents to organize the business](#) under that name.

The “[check name availability](#)” search helps you determine whether a business legal name may be available for use.

Name search tips:

- The search is preliminary, and names cannot be guaranteed as available until the final processing is complete at the time of filing.
- Use the partial word search function to return a greater number of variations and to compare your proposed name to others in the database.
- Use the singular form of your proposed name when searching.
- Use both the word *and* and the symbol & in your search if it's part of the name.

Guidelines for checking name availability:

- A name is distinguishable if:
 - It contains different letters, numerals, or words.
 - It has a different sequence of letters or numerals from other names in the Secretary of State's records.
 - The roots of the words are the same, but the words are in a different order.
- The following are not distinguishing characteristics:
 - The choice of the word indicating corporate status, e.g. *corporation, inc., etc.*
 - The use of articles such as *the, an, or a*.
 - Differences in punctuation.
 - Differences in capitalization.
 - Plurals or possessives.
 - Hyphenation or combining words.
 - Use of the word *and* and the symbol & (these are interchangeable in Secretary of State records).

- Numbers in Arabic, Roman, or as a word (these are treated the same).

Source: [Indiana Secretary of State](#)

Step 2: Formation

Forming the For-profit Formal Association

To form a formal association, you must file organizational documents with the Indiana Secretary of State's business services division.

- Corporation and S corporation: To form a business corporation, Articles of Incorporation must be filed along with a \$90 filing fee (\$80 online). The Articles of Incorporation must include the following: [\(IC 23-1-21-2\)](#)
 - The name of the corporation (which must include *Corporation, Company, Incorporated, Limited*, or an abbreviation thereof)
 - The name and address of the [registered agent](#)
 - The number of shares of stock the corporation is authorized to issue
 - The names and addresses of all the incorporators
 - The original signatures of all the incorporators

- Limited Liability Company (LLC): To form an LLC, Articles of Organization must be filed along with a \$90 filing fee (\$80 online). Articles of Organization must include the following: [\(IC 23-18-2-4\)](#)
 - The name of the LLC, which must end with *Limited Liability Company* or *LLC*
 - The period of duration of the LLC (or statement that perpetual until dissolution)
 - The name and street address of the [registered agent](#)
 - If the operating agreement vests management in a manager(s), a statement to that effect
 - The signature of at least one organizer, member, or manager

- Limited Partnership (LP): To form an LP, a Certificate of Limited Partnership must be filed along with a \$90 filing fee (\$80 online). The Certificate of Limited Partnership must include the following: [\(IC 23-16-3-2\)](#)
 - The name of the LP, which must end with *Limited Partnership* or *LP*
 - The address of the office
 - The name and address of the [registered agent](#)
 - The names and business addresses of all general partners
 - The signatures of all general partners
 - The latest date upon which the partnership is to dissolve (cannot be perpetual)

- Limited Liability Partnership (LLP): To form an LLP, a Registration must be filed. The Registration must include the following: [\(IC 23-4-1-45\)](#)
 - The name of the LLP, which must end with *Limited Liability Partnership* or *LLP*
 - The address of principal office
 - The name and address of the [registered agent](#)
 - A statement of the nature of the business in which the partnership is engaged
 - A statement that the registration is evidence of the partnership's intention to act as an LLP
 - The signature of at least one partner
 - \$90 filing fee (\$75 online)

Each of these transactions may be filed through [business services online](#) or by [paper](#). If the transaction is filed online, the filing fee may be paid with a credit card or [IN.gov subscriber account](#).

Registering Foreign and Domestic Entities

Currently, the Indiana Secretary of State provides the option to register both foreign limited partnerships and foreign limited liability partnerships online.

If you are a foreign business from outside of Indiana, you must first obtain a [Certificate of Authority](#) from the Indiana Secretary of State before you can conduct any business. However, this requirement does not apply in some cases. You can view the following Indiana Code statutes to determine whether your business activity requires this type of registration ([IC 23-1-49-1](#) and [IC 23-17-26-1](#)).

After you have formed your business or been granted authority to do business in Indiana, you have an ongoing responsibility to file regular business entity reports. These reports must be filed every year by nonprofit organizations and every two years by for-profit businesses. The filings are due during the anniversary month of the organization's formation or the anniversary month when granted authority to do business in the state of Indiana.

Source: [Indiana Secretary of State](#)

Forming the Nonprofit Formal Association

To form the not-for-profit corporation, organizational documents must be filed with the Indiana Secretary of State. To begin, [Articles of Incorporation](#) must be approved and filed along with a filing fee. The Articles of Incorporation must include the following: [\(IC 23-17-3-2\)](#)

- The name of the corporation (which must include *Corporation*, *Company*, *Incorporated*, *Limited*, or an abbreviation thereof)
- A statement as to whether the corporation will be a public benefit, religious or mutual benefit corporation
- The name and address of the [registered agent](#)
- The names and addresses of all the incorporators
- A statement as to whether the corporation will have members
- A statement regarding the distribution of assets upon dissolution [\(IC 23-17-22-5\)](#)

You must file the transaction online or by paper. If you file it online, you can pay the fee with a credit card or [IN.gov subscriber account](#). To file by paper, download the state form [here](#) and click the Non-profit Corporations (Domestic) link.

To properly qualify as a nonprofit, you must secure a nonprofit, or tax-exempt, status from the [IRS](#). The IRS provides the nonprofit organization with a federal determination letter showing the exemption from federal tax. A nonprofit wanting a sales tax exemption must be recognized by the IRS as a nonprofit.

To obtain nonprofit status in Indiana, complete and submit an application to file as a nonprofit organization (NP-20A) to the Indiana Department of Revenue. Once nonprofit status is granted, file Form IT-20NP and/or NP-20 with the Indiana Department of Revenue. If you have more than \$1,000 of unrelated business income, you must also complete a Nonprofit Organization Unrelated Business Income Tax Form ([IT-20NP](#)).

You also must file a Business Tax Application ([Form BT-1](#)) with the Indiana Department of Revenue if you will:

- Have employees
- Sell tangible goods for more than 30 days

Sources: [Indiana Secretary of State](#) and [Indiana Department of Revenue](#)

IRS Registration

If you have employees, you must have an Employer Identification Number (EIN) that identifies the tax accounts of employers, corporations, partnerships, limited liability companies with more than one owner, estates, trusts, and other entities. Under federal guidelines, you also need an EIN if you have a qualified retirement plan, operate your business as a corporation or partnership, or file employment taxes or excise taxes.

After receiving confirmation of your approved and filing documents with the Indiana Secretary of State, you may obtain the EIN [online](#), by phone, or by filing Form SS-4 with the IRS.

IRS Contact Information

EIN: (606)292-5467

IRS Information Number: (800) 829-1040

Forms: (800) 829-3676

Address: IRS, Cincinnati, OH 45999

You should have only one EIN. You also may be required to file self-employment taxes quarterly. Contact the IRS for publications 533 and 509 on self-employment taxes. If you do not have employees and do not expect to have any, the IRS may not allow the business to obtain an EIN. In such a case, your Social Security number will be used as the Federal Tax Identification Number.

Source: [IN.gov Business Owner's Guide](#)

Requirements for Employers

To get information on the new hire reporting requirements, call the Indiana New Hire Reporting Center at (866) 879-0198.

To register a state unemployment insurance account, contact the Indiana Department of Workforce Development.

[Department of Workforce Development](#)

Unemployment Insurance Division
100 North Senate Ave.
Indianapolis, IN 46204-2277
(317) 232-6702
(800) 437-9136

Worker's compensation insurance can be purchased through private carriers, but if you have questions, you can call the Worker's Compensation Board of Indiana.

[Worker's Compensation Board of Indiana](#)

402 West Washington St.
Room W196
Indianapolis, IN 46204
(317) 233-3908
(800) 824-2667

The Indiana Department of Labor can answer wage and hour questions, provide labor and employment information, and answer occupational safety and health questions.

[Indiana Department of Labor](#)

402 West Washington St.
Room W195
Indianapolis, IN 46204
(317) 232-2655

Permits, Licenses, and Zoning

Some businesses require specific permits and licenses. If you need help deciding whether your business needs a permit and/or license, you can contact your local Small Business Development Center or the State Information Center at (800) 45-STATE (800-457-8283). To ensure your business complies with local zoning regulations, contact your city or county planning/zoning commission. You can also contact the [Indiana Professional Licensing Agency](#) to learn what licenses you may need.

Indiana Department of Revenue Registration

If you are starting a new business in Indiana, you may need to register with the Indiana Department of Revenue (the department).

You will need to register your business with the department if you will:

- Sell products or tangible items (sales tax)
- Have employees (withholding tax)
- Sell food and beverages (sales tax and food and beverage tax)
- Rent accommodations for fewer than 30 days (innkeeper's tax)
- Rent motor vehicles (motor vehicle rental tax)
- Distribute gasoline (gasoline use tax)
- Sell tires (tire fee)
- Sell prepaid wireless cards (911 fee), or
- Sell fireworks (sales tax and safety fee)

If you are an independent contractor doing business in Indiana, you may need to register. [Click here](#) for more information.

Business Tax Application

To register your business with the department, you must submit a [Business Tax Application \(BT-1\)](#). The form allows you to set up the appropriate tax accounts. If you registered with the department previously, you must still file a new BT-1 when you add your first employee or if you need to add a tax type. Your organization's responsible officer can submit your [BT-1 online](#). Processing time for the online application can take up to two business days. After you have registered, you will receive an Indiana Tax Identification Number (TID) that allows your business to be identified in the department's system.

You must complete a separate BT-1 for each location you want registered. If you want to consolidate tax filings for all or some of your locations, you can complete [Form BT-1C](#) (Authorization for Consolidated Sales Tax Filing Number).

Information required for the online BT-1 application includes the following:

- Email address. This is either for the person submitting the application or the address where the application registration information (including the Document Locator Number) should be sent.
- Federal ID number (FID/EIN).
- TID. The TID is requested when adding a location to an existing business account or when registering an existing location for other tax types.

- Location number. The location number is requested when registering an existing business location for other tax types.
- Legal name, partnership name, corporate name, other entity name, or sole owner name.
- Business contact name and daytime phone number.
- Document Locator Number (DLN). The DLN is displayed at the bottom of the business contact name and daytime phone number screen after starting the online process. **It is very important that you write down the DLN for future reference.**
- Type of organization.
- Indiana Secretary of State control number. All businesses except sole proprietors and general partnerships must register with the Indiana Secretary of State.
- State of incorporation, date of incorporation, state of commercial domicile, and date authorized to do business in Indiana if not incorporated in Indiana. This information is required for corporations.
- Primary mailing address for the business.
- North American Industry Classification System ([NAICS](#)) Code.
- Responsible officer information, including Social Security number.
- Business trade name or DBA.
- Business location phone number and address.
- Tax type(s) for which the business is registering. See the list on page 18.

Tax Types Overview

- Personal Income Tax
- Business Income Tax
- Income Tax Withholding
- Nonresident Shareholder Withholding
- Sales Tax
- Use Tax
- Food and Beverage Tax
- Motor Vehicle Tax
- County Innkeeper's Tax
- Special Taxes
- Fees
- Tax Filing Deadline Calendar

Personal Income Tax

Federal Requirements

If you are a U.S. citizen or resident alien, whether you must file a federal income tax return depends on your gross income, your filing status, your age, and whether you are a dependent. The filing requirements apply even if you owe no tax. For example, if you don't owe federal tax, you are still required to file a return that reports your income.

If you are self-employed in a business that provides services (where tangible property is not sold or used in providing the service), your gross income from that business is the gross receipts. If you are self-employed in a business involving manufacturing, merchandising, or mining, your gross income from that business is the total sales minus the cost of goods sold. In either case, you must add any income from investments and from incidental or outside operations or sources.

[Click here](#) for information about filing and reporting federal income tax.

Source: [IRS](#)

Indiana Requirements

You must file an Indiana individual income tax return if:

- You lived in Indiana and received income greater than certain exemptions, **or**
- You lived outside Indiana and received income from Indiana.

If your income is less than your total exemptions and you have Indiana credits (such as state and county withholding on your W-2s or you're eligible for the Indiana earned income credit), then you may file a tax return to get a refund. However, you're not required to file under these circumstances.

[Click here](#) for information about filing and reporting state income tax.

Adjusted Gross Income Tax

A corporation doing business or an organization subject to the utility receipts tax under [IC 6-2.3](#) in Indiana, other than a corporation defined as a taxpayer under [IC 6-5.5-1-17](#), is subject to the adjusted gross income tax. The Indiana corporate adjusted gross income tax rate currently is 6.5 percent¹. Annual tax returns are required under the Adjusted Gross Income Tax Act. The type of income tax form your company uses will depend on how the business is organized.

Business Organization	Income Tax Form
Sole Proprietor	The income of a sole proprietor is reported on one of the IT-40 series of forms as individual income.
General Partnership	General partnerships report their income on the IT-65, and the partner reports income on the IT-40 or IT-40PNR.
Limited Liability Partnership	The income of an LLP is taxed the same as a general partnership. Complete Forms IT-65 and IT-40 or IT-40PNR.
Limited Partnership	The income is taxed in the same way as a general partnership. Complete Forms IT-65 and IT-40 or IT-40PNR.
Corporation	The corporation must file a Form IT-20. A shareholder or an employee will also need to file an IT-40 to show income from any wages or dividends that were paid by the corporation during the year.
S Corporation	The S corporation will complete an IT-20S, and the shareholder or employee will complete an IT-40 or IT-40PNR.
Nonprofit Corporation	To qualify properly as a nonprofit, you must secure a nonprofit, or tax-exempt, status from the IRS, in addition to the department, to be free from specific tax burdens. After nonprofit status is granted, file the IT-20NP and or NP-20.
Limited Liability Company	If the LLC qualifies under IRS guidelines , it may be taxed only once. Like a partnership at the employee or member level, LLCs do not face the same restrictions as an S corporation does. One of the following forms must be filed in Indiana: IT-40, IT-40PNR, or IT-65 ² .

¹ Note: The corporate tax rate will continue to decrease annually by .5 percent to reach 6.25 in 2017. It will then decrease by .25 percent until 2021, when the rate will be 4.9 percent.

² Although pass through entities (partnerships, LLCs, LP, S corporations) do not pay tax themselves, they still have to file returns showing all their tax activity and what is being passed through to partners, members, etc.

Trust Taxes

When collecting trust taxes, you become an authorized agent for the State of Indiana. This means you collect taxes on behalf of the state and report and pay those taxes to the state. You are a “trusted” agent to collect taxes for the state. This is a legal condition you must fulfill to operate a business in Indiana.

Trust taxes include:

- Withholding tax
- Sales tax
- County innkeeper’s tax
- Food and beverage tax
- Motor vehicle rental tax

These are the most common trust taxes, but there are others as well. For more information, read the individual tax types in this section.

Withholding Tax

If you have employees working for you, you'll need to collect income withholding taxes. These are state and county taxes that are withheld from your employees' wages. Withholding agents are employers who are required by the IRS and the state to withhold income tax on salaries, wages, tips, fees, bonuses, and commissions.

To find out whether you should withhold state and county taxes for your employees, contact the [IRS](#) at (800) 829-4933. If you are required to withhold federal taxes, you must also withhold Indiana state and county taxes. To register for withholding for Indiana, the business must have an EIN from the federal government.

Requirements

Registration for withholding tax is necessary if your business has:

- Employees
- Nonresident shareholders
- Nonresident partners
- Beneficiaries for distributions of income

Part-time or summer employees are treated the same as full-time employees. Casual laborers, some domestic employees, ministers, and those who receive pension annuities may choose not to have tax withheld from their earnings. However, their income is still subject to state and county tax. If you have questions about your specific situation, please call the department at (317) 233-4016.

You must withhold Indiana state tax from your employees' salaries even if they live in another state, unless they live in a state that has a reciprocal agreement with Indiana. The wages of employees who reside in Kentucky, Michigan, Ohio, Pennsylvania, and Wisconsin are not subject to Indiana state income tax on their wages. However, their wages are subject to county income tax. For more information on reciprocal states, read [Information Bulletin #33](#) or call (317) 233-4016.

Withholding payments must be made to the department by the due dates; otherwise, penalties and interest will be assessed. If you do not file a return and pay the proper amount of tax, you face collection actions, legal action, or worse.

Registration

To register, fill out the BT-1 Section B: Withholding Tax Registration. If you registered with the department previously, you still must file a new BT-1 when you add your first employee. There is no fee to register for withholding tax.

Required information for Section B:

- Your accounting period and year ending month and day.
- Your state unemployment tax account, if you have one.
- Whether you will be withholding on a resident shareholder, nonresident shareholder, one-time yearly distribution, or nonresident partner or beneficiary. Selecting nonresident shareholder and not selecting one-time yearly distribution may default your account to paying on a quarterly or monthly basis.
- The date taxes were first withheld.
- Dollar amount of anticipated monthly wages paid.
- Address to which to send your tax returns.

Once registered, you will receive a TID that allows your business to be identified in the department's system.

Indiana County Rate—Departmental Notice #1

You should review [Departmental Notice #1](#), which details the income tax withholding rates for Indiana counties and explains how to withhold taxes. The current state withholding tax rate is 3.4 percent. The county tax rate will depend on where the employee resided on January 1. If the employee is working in Indiana but does not reside in Indiana, the nonresident rate should be used.

Filing Information

ALL businesses in Indiana must file and pay their withholding taxes electronically through the state's [INtax](#) program or a third-party vendor. This is required by Indiana law. An exemption from this requirement is possible under certain circumstances. Call (317) 232-2337 and request the BT-EX if you believe you qualify for an exemption.

Filing Frequencies		
Monthly Average Tax Withheld	Filing Status	Due Date
\$25 or less	Annual	30 days after the end of the month
\$1,000 or less	Monthly	30 days after the end of the month
More than \$1,000	Early filer	20 days after the end of the month

Forms

WH-1

If you are an employer who files monthly and early, you need to submit the Indiana Employer's Withholding Tax Return ([WH-1](#)). You must file the WH-1 via the state's [INtax](#) program or use a third-party vendor. The WH-1 should be completed and returned to the department on or before your due date. If you make your payments via EFT, you are not required to file a WH-1. Submitting a WH-1 correctly ensures that your company's withholding taxes are reported accurately and timely.

W-2

A copy of the W-2 also must be sent to the department by February 28.

WH-3

At the end of each year, all Indiana employers are required to complete and file an annual reconciliation form ([WH-3](#)) by February 28 of the following year. The WH-3 is a reconciliation form for the amount of state and county income taxes withheld throughout the year. Any business that files more than 25 W-2, W-2G, 1099-R, or WH-18 statements must file them electronically ([IC 6-3-4-16.5](#)).

If an employer has multiple locations and files withholding for each separate location, then the employer must complete a WH-3 for each location. Also, if an employer also has non-resident shareholder or partner withholding, the employer must file a separate WH-3 for the non-resident shareholder or partner withholding.

To file the WH-3, follow these instructions based on your business size:

Business Size	Step 1	Step 2
Between 1 and 50 W-2s in a calendar year	Register for INTax	Manually enter your W-2s into INTax . Be sure that you have a valid Indiana TID. However, if you have a valid EFW2 text file, you can upload your W-2s. For more information, click here .
Between 51 and 3,500 W-2s in a calendar year	Register for INTax	Upload a text file in the required format. To do this, you must: <ul style="list-style-type: none"> • Have a valid Indiana TID for each return. • Have a text file in the prescribed SSA EFW2 format. See instructions in the department’s W-2 handbook. • Remember that each file has a limit of 3,500 W-2s.
More than 3,500 W-2s in a calendar year	Register for INTax	Batch upload your W-2s. The bulk file upload is a system for uploading electronic files containing tax return data to the department’s system. Batch upload submitters must be pre-registered and certified to use the system. This is the preferred method of electronic filing if a company has more than 3,500 W-2s.

If your payroll provider is certified with the department, they can file your W-2s and WH-3s for you. Contact your service provider to find out whether they are certified.

WH-4

Upon initial employment, employees should complete an Employee’s Withholding Exemption and County Status Certificate ([WH-4](#)). This form provides you and the department with:

- The number of exemptions the employee will claim
- The county in which the employee is living and working so that the proper county tax rate can be figured

Both you and the employee should keep a copy of the WH-4 for record. The employee should update the WH-4 when his information changes, such as if he moves or gets married.

WH-18

A Miscellaneous Withholding Tax Statement for Nonresidents (WH-18) acts like a W-2 wage statement. It's given to each shareholder/partner reflecting how much was withheld on her behalf due to a distribution. The shareholder/partner must attach this form to her income tax return to claim this credit. WH-18 forms distributed by the business should also be enclosed with the filed WH-3.

Recordkeeping

You should provide each employee with a statement of the amount of state and county tax withheld. This is usually shown on the federal W-2. The employee must get a copy of this form by January 31.

You should maintain a correct list of all employees that includes the following:

- List of who is employed by the month, week, or day
- County of residence for each employee
- Salaries
- Social Security number of each employee
- County of work for each employee
- Length of a normal pay period

You should also keep the following documents to verify that the correct amount of income tax was remitted to the department:

- Copies of all WH-1s, WH-4s, WH-18s, W-2s, and 1099s
- Federal Schedule C for sole proprietorships or Schedule E for shareholders or partners
- Federal K-1 and IN-K1 schedules
- Accounting records in support of income and expenses claimed on Schedule C
- Evidence of estimated quarterly income tax payments

You must keep these records for at least three years in addition to the current year and make them available to the department upon request.

More Information

For more information about withholding income tax, [click here](#) or call (317) 233-4016.

Nonresident Shareholder or Partner Withholding

Regular withholding is withholding on Indiana income such as salary, wages, and/or tips, which is withheld from the employees of the business. Nonresident shareholder or partner withholding (“nonresident shareholder withholding”) is withholding on distributions to a partner or shareholder who makes money from her investment with the business. The nonresident shareholder withholding Indiana tax rate is 3.4 percent.

Note: Withholding is required on any business that is not an individual. The rates are as follows:

- Before July 1, 2012, 8.5 percent should be withheld.
- After June 30, 2012, and before July 1, 2013, 8 percent should be withheld.
- After June 30, 2013, and before July 1, 2014, 7.5 percent should be withheld.
- After June 30, 2014, and before July 1, 2015, 7 percent should be withheld.
- After June 30, 2015, 6.5 percent should be withheld.

Registration

Register for nonresident shareholder withholding by completing Section B of the BT-1 and selecting nonresident withholding.

Composite Filing

Composite filing is for nonresident individual shareholders and/or individual partners only, including grantor trust entities. Any income (whether distributed or not) made by the partnership or S corporation is reported on the partnership or S corporation’s composite income tax return.

Partners or shareholders can opt out of the partnership’s or S corporation’s composite filing by completing Form [IN-COMPA](#) and submitting it to the partnership or S corporation. The partner’s or shareholder’s name is still required to be listed on the composite schedule, and a check mark is required in Column G, “Excluded from Composite.” The Indiana K-1 must also be enclosed with the partnership/S corporation return when filed. If the partner or shareholder opts out, she is required to file an IT-40PNR.

For more information, please contact the department at (317) 232-0129.

Sales Tax

If you sell goods or tangible personal property, you must register to collect Indiana's 7 percent sales tax.

Sales tax is an excise tax imposed on retail transactions made within the borders of Indiana. If you engage in retail sales, either personally or through an agent, a salesperson, or a representative, you must register to be an Indiana retail merchant and must collect sales tax as an agent for the state. Sales tax must be separately stated from the marked price and must be paid by the customer purchasing the tangible personal property in the retail transaction.

All sales are taxed unless there is a specific exemption. Note: Some foods are subject to sales tax, while others are exempt. In general, any food that is meant to be consumed on the premises or immediately (as opposed to being taken home to be consumed) is subject to sales tax. For more information on how sales tax is applied in specific situations, [click here](#).

Exemptions

Sales tax is not collected on the following items:

- Food and food ingredients, including:
 - Food sold in an unheated state by weight or volume as single items (example: packages of chips, whole pieces of fruit) when not sold with utensils
- Prescription drugs
- Casual sales (for example, garage sales)
- Newspapers
- Items purchased with food stamps
- Lottery tickets
- Postage stamps
- Gift cards
- Items purchased for resale (inventory)

The [ST-105](#) General Sales Tax Exemption Certificate is a multiuse form that can be used by most exempt purchasers. Most exempt purchasers, in-state and out-of-state, can use this form for most types of exemptions allowed by Indiana.

The following people or groups are exempt from sales tax. These groups must give the seller an exemption certificate. Sellers presented with valid, completed exemption

certificates do not collect or remit sales tax for those purchases. Tax-exempt groups include the following:

- Nonprofit entities (if purchase is for the exempt nonprofit's purpose)
- Federal government agencies
- Indiana state and local government agencies (for items predominantly used for the governmental purpose)

Sellers are responsible only for collecting correctly completed exemption certificates. If a seller accepts an exemption certificate that is not complete or facially valid, the seller is still responsible for remitting the sales tax due on that purchase. A copy of each certificate presented must be retained for records.

Items Purchased for Resale

Items purchased for resale are not subject to sales tax. Sales tax is collected when tangible personal property is sold to the end user.

Example: When a store owner purchases a case of windshield wiper fluid to resell in a convenience store, the owner is not required to pay sales tax. The tax will be collected when it is sold in the convenience store.

To purchase items for resale exempt from sales tax, complete exemption certificate Form ST-105 and provide it to the distributor.

However, use tax must be paid on purchases that were originally purchased for resale but later were used for the store's operational use. For example, use tax is due on car wax that is purchased exempt from sales tax for resale but was instead used in the store's own car wash.

Registration

You must register for sales tax so that you can legally conduct retail sales in Indiana. To register, fill out the BT-1 Section A: Sales Tax/Out-of-State Use Tax. If you are legally required to register and collect sales tax in Indiana, a nonrefundable \$25 fee must be submitted with this application. An application and separate \$25 fee is required for each location. If you are a volunteer registrant (not legally required to register with Indiana), you may register under the out-of-state use tax option. Provide the month and year you will begin business or the date of your first sales.

Required information for Section A includes the following:

- Your estimated monthly taxable sales. If left blank, you will be a monthly filer.
- Whether you are a seasonal business.
- Whether you provide lodging for fewer than 30 days.
- Whether you will sell food and beverages.
- Whether you will sell alcoholic beverages. If you will, enter your ABC permit number with expiration date.
- Whether gasoline will be sold through a metered pump.
- Whether cars or trucks weighing less than 11,000 lbs. will be rented from this location for fewer than 30 days.
- Whether income is derived from the sale of tobacco products.
- If tobacco products are sold, indicate whether sales are from vending machines only.
- If you report sales tax on a consolidated basis, indicate whether this location is included.
- Whether you want your sales tax returns sent to a different address.

Additional tax registration may be necessary if your business:

- Sells food and beverages.
- Rents rooms or accommodations for periods of fewer than 30 days.
- Rents motor vehicles that weigh less than 11,000 lbs.
- Sells gasoline.
- Sells tires.
- Sells fireworks.
- Sells prepaid wireless cards.

Once your registration is completed and processed, you'll be issued a Registered Retail Merchant Certificate (RRMC). One certificate is required to be displayed at each business location, if you have more than one retail address. You will need to contact your county clerk's office to apply for a vendor's license.

The RRMC is valid for two years, and updates automatically with no additional charge for renewal. If a business does not pay its tax liability, the RRMC will expire. After the tax bill is paid in full, the business must file a REG-1 form that is mailed to the business and pay a \$25 registration fee. If you cannot locate the REG-1 form, call (317) 232-2165.

Filing Information

ALL businesses in Indiana must file and pay their retail sales tax electronically. You must file via the state's [INtax](#) program or use a third-party vendor to electronically transmit Form ST-103.

To compensate for you collecting and remitting the sales tax on time, you are allowed to deduct and keep a collection allowance from the amount of the taxes collected. To qualify for this collection allowance, you must collect and remit all taxes on time.

The amount you can keep is based on your tax liability for the 12-month period ending on June 30 of the previous year. The specific collection allowance breakdown is:

Sales tax liability for fiscal year ending June 30 of the previous year (for instance July 1, 2012 to June 30, 2013):	Collection allowance for January 1 to December 31 of the current year (for instance January 1, 2014 to December 31, 2014):
\$60,000 or less	0.73%
\$60,000.01 – \$600,000.00	0.53%
\$600,000.01 or more	0.26%

Record Keeping

In general, the following information and documents must be maintained to verify that the correct amount of sales was remitted to the department:

- Total merchandise sales (listed with UPC codes if used for determining taxability) that detail:
 - Grocery items sold
 - Non grocery items
 - Taxable versus nontaxable items sold
- Sales tax returns (Form ST-103MP or ST-103)
- Point-of-sale (POS) reports from the scanner/register
- Name of cash register system and software
- Cash register tapes issued daily and/or monthly, including Z tapes
- Monthly summaries used to report the amounts on the sales tax returns and other returns
- Reconciliation of total sales reported for sales tax purposes and gross receipts used to determine federal taxable or adjusted gross income
- Cash payout source documentation
- Inventory purchase invoices
- Depreciation schedules for list of asset acquisitions
- Capital (asset) and general expense purchase invoices
- Exemption certificates, if applicable (Form ST-105)
- Store hours and days open per year

- Detailed monthly reports of taxable and nontaxable sales
- Total amount of prepared foods sold
- Total amount of lottery sales
- Payout information for lottery sales by month of each audit period or at least yearly totals
- Total amount of electronic benefit transfer (EBT) sales as shown in bank statements
- Total number of phone cards sold with vendor backup showing total number purchased and billed as sold
- Total amount of money order charges
- Check registers or accounts payable records
- Cash sales of all products
- Credit card sales of all products

You must retain these records for *at least* three years in addition to the current year, and make them available to the department upon request.

More Information

- Find Indiana General Sales Tax Exemption Certificate [Form ST-105](#).
- Find [Form GA-110L Claim for Refund](#).
- Read [Sales Tax Information Bulletins](#) for more sales tax application guidance.
- Call (317) 233-4015 with sales tax questions.

Use Tax

Generally, any type of business that purchases tangible personal property in a retail transaction are subject to use tax unless you previously paid at least a 7 percent sales tax on the purchase to the vendor. Use tax can generally be thought of as a mirror of the sales tax.

Use tax is a tax on property brought into Indiana for use, storage, or consumption in Indiana, unless the Indiana Code ([IC 6-2.5-5](#)) contains an applicable exemption. Both Indiana's sales tax and use tax rates are 7 percent.

- If you paid sales tax of 7 percent or more to the other state, you do not owe use tax to Indiana.
- If you paid sales tax of less than 7 percent to the other state, your Indiana use tax will be the difference between the Indiana 7 percent use tax and the amount you paid to the other state

Some purchases that may cause use tax liability include the following:

- Catalog purchases by phone or mail from out-of-state vendors
- Internet purchases from out-of-state vendors
- Items withdrawn from your inventory for personal use or to give away
- Any purchase for which a statutory exemption is not available per the Indiana Code ([IC 6-2.5-5](#))
- Use tax is due on the purchase of any vehicle, aircraft, or watercraft to be titled in Indiana, even if the purchase would not otherwise be a retail transaction.

Registration

You do not need to register for use tax because it is self-reported:

- Registered retail merchants can remit use tax on their ST-103 return.
- If you are not a registered retail merchant, you can report use tax on Form [ST-115](#) on an annual, quarterly or monthly basis.
- Individuals can report use tax on individual income tax returns ([IT-40](#) or [IT-40EZ](#)), or they can use a Form [ST-115](#).

If you self-report the use tax due, you will only owe the tax. If you wait until the department issues you a bill for the use tax due, you will have to pay a 10 percent penalty, plus interest. Indiana law ([IC 6-2.5-3-2](#)) requires use tax to be paid unless Indiana sales tax was paid on your taxable purchases.

Forms

Name	Description	File Type
ST-103	Sales and Use Tax Voucher	Register and file this tax through INtax .
ST-115	Consumer's Use Tax Return	Fill in the PDF.

Record Keeping

In general, the following information and documents must be maintained to verify that the correct amount of use tax was remitted to the department:

- All accrual records showing how much tax was accrued and paid
- All returns filed by period
- Depreciation schedules asset roster

You must retain these records for *at least* three years in addition to the current year and make them available to the department upon request.

More Information

Call (317) 233-4015 with use tax questions.

Food and Beverage Tax

In some counties or municipalities, businesses that sell food and beverages must register for both sales tax and food and beverage tax. In locations that adopt a food and beverage tax, the rate is 1 percent of the gross retail income received from taxable food and beverage transactions (Marion County's rate is 2 percent). In some instances where both a county and municipality within the county have adopted the food and beverage tax, the total tax rate for a taxable transaction inside the municipality is 2 percent.

The department provides the [food and beverage tax rates](#) for each county. Also you can contact the county auditor's office or the municipality to learn whether the specific county or municipality has a food and beverage tax.

The food and beverage tax applies to any transaction in which food or beverage is furnished, prepared, or served by a retail merchant for consumption at a location or on equipment provided by the retail merchant in a county or municipality that adopts the tax.

Taxable transactions include:

- Food sold and served by a retail merchant that is performing catering activities
- Food sold at a deli counter in a grocery store that is cooked or heated on the premises of the retail merchant
- Transactions in which the seller provides eating utensils, including plates, knives, forks, spoons, glasses, cups, napkins, or straws

Transactions not subject to tax include:

- Sales of food that is only cut, repackaged, or pasteurized by the seller.
- Sales of eggs, fish, meat, and poultry requiring cooking by the consumer.
- Sales of food and beverages if the transaction is exempt from the sales tax (for example, the customer is a charitable organization and the purchase is for the organization's charitable purpose).
- Foods that are subject to sales tax but were not mixed or heated by the seller (candy, soft drinks, etc.) are exempt from food and beverage tax. This exemption applies if the foods are (1) not intended for consumption on the taxpayer's premises; and (2) not served by the seller off the seller's premises.

Note: If the business is selling alcohol, a license from the [Alcohol and Tobacco Commission](#) is required.

Registration

To register, fill out the BT-1 Section D Food and Beverage Tax. There is no fee to register, and you must also be registered for sales tax.

Required information for Section D includes the following:

- The date of your first sales
- Whether you cater to other counties
- The counties you cater to, if applicable
- The address to which to send your tax returns

Filing Information

The food and beverage tax is imposed, paid, and collected in the same way as sales tax, though the tax is remitted on a separate return from the sales tax return. The filing of the return and the remittance of the tax collected are due 30 days after the end of the month in which the transaction occurs. The form used to file the return is the FB-103. Vouchers will be mailed to each seller after registering with the department; however, businesses will be able to remit the tax using [INtax](#) starting with October 2014 tax collections reported and remitted in November 2014.

You may file a consolidated food and beverage tax return if you operate multiple locations in the same county and/or the same municipality. You are required to file separate returns if you have locations in different adopting counties and/or municipalities. You also are required to file separate returns for the county and the municipality if your business is located in a municipality inside a county where both units of government have adopted a food and beverage tax. With the exception of Johnson County, all tax returns and remittances for the food and beverage tax are required to be filed with the department. Johnson County passed an ordinance to have the tax remitted to the county treasurer.

Record Keeping

You are required to keep copies of all food and beverage tax returns as well as detailed reports of prepared food and beverage sales to verify the amounts reported on the food and beverage tax returns. You must retain these records for at least three years in addition to the current year and must make them available to the department upon request.

More Information

[Click here](#) or call the business tax information line at (317) 233-4016 for more food and beverage tax information. Local food and beverage tax rates are listed in [Commissioner's Directive #30](#).

Motor Vehicle Rental Excise Tax

If you rent or lease vehicles weighing less than 11,000 lbs for less than 30 days, you must collect a 4 percent motor vehicle rental excise tax. Marion County has a supplemental tax as well. Call (317) 233-4015 for Marion County information.

Registration

To register, fill out the BT-1 Section E: Motor Vehicle Rental Excise Tax. There is no fee to register, and you must also be registered for sales tax.

Required information for Section E includes the following:

- Date, month, and year when rental will begin
- The tax district number of this location
- Address to which to send your tax returns

Filing Information

The department will mail you form MVR-103 to file and pay. For more information on the motor vehicle rental tax, call the sales tax information line at (317) 233-4015 or [click here](#).

County Innkeeper's Tax

Some counties require a tax on the rental of rooms and accommodations, for periods less than 30 days, in addition to the state sales tax. Accommodations can include:

- Rooms in hotels, motels, lodges, ranches, villas, apartments, houses, bed and breakfast establishments, vacation homes, or resorts
- Gymnasiums, coliseums, banquet halls, ball rooms, arenas, or other similar accommodations regularly offered for rent
- Cabins, cottages, tents, fixed trailers, houseboats, and other craft with overnight facilities
- Space in camper parks and trailer parks where spaces are regularly offered for rent

The department provides a [list of counties](#) that have adopted the county innkeeper's tax and whether the county innkeeper's tax is collected by the department or the county (the department only collects the tax for seven counties). You also can contact the specific county auditor's office to learn whether the county innkeeper's tax will apply to your business.

Registration

You need to register for county innkeeper's tax with the department by completing the BT-1 if your business is physically located in a county that has county innkeeper's tax collected at the state level. If your business is located in a county that has county innkeeper's tax collected at the county level, contact your county treasurer or assessor's office to learn how to remit the tax. You can check [here](#) to see whether your county collects county innkeeper's tax at the state or county level.

To register, fill out the BT-1 Section C: County Innkeepers Tax. There is no fee to register, and you must also be registered for Sales Tax.

Required information for Section E includes the following:

- Date rentals/leases will begin at this location
- Whether you want your tax returns sent to a different address

Filing Information

For the counties for which the department collects county innkeeper's tax, the department will mail you form CIT-103 to file and pay the tax. However, businesses required to pay county innkeeper's tax to the department will be able to remit the tax using [INtax](#) starting with October 2014 tax collections reported and remitted in November 2014. For the counties that collect their own county innkeeper's tax, please contact the county treasurer of the respective counties.

Special Taxes

Type II Gaming

To distribute Type II gambling games to Indiana businesses, you must be licensed with the [Indiana Gaming Commission](#), have a Type II Gaming Distributor License from the [Alcohol and Tobacco Commission](#), and have an Indiana Registered Retail Merchant Certificate (RRMC). You can file and pay Type II gaming tax returns in [INtax](#).

Cigarette and Other Tobacco Products

The cigarette and other tobacco products (OTP) tax applies to cartons or packs of cigarettes or cigarette papers, wrappers, or tubes, as well as chewing tobacco, snuff, cigars, and pipe tobacco. If you sell cigarettes or OTP, you must apply for a license with the Indiana Department of Revenue by filing [CIG-1A](#). Cigarette distributors must pay an annual \$500 registration fee, and tobacco distributors must pay a \$25 fee. Distributors must purchase stamps within six days after accepting delivery of the cigarettes.

As of July 1, 2014, any person who is liable for the payment of cigarette excise taxes or OTP excise taxes must file returns electronically and submit payments electronically. Any informational returns that do not require a tax payment must also be filed electronically. You can bulk file returns through [INtax](#). You can find more [cigarette](#) tax and [other tobacco products](#) tax filing information online.

Alcohol

Taxes are figured on gallons of beer, flavored malt beverage, liquor, wine, mixed alcoholic beverages, hard cider, liquid malt, and wort sold. You must get a permit from the [Indiana Alcohol and Tobacco Commission](#) (ATC) to sell or distribute alcohol. After receiving a permit from the ATC, taxpayers file and pay alcohol beverage excise taxes with the department and need an Indiana Taxpayer Identification Number (TID). Call 317-615-2710 if you need assistance getting your TID. As of July 1, 2014, any person who is liable for the payment of alcohol excise taxes must file returns electronically and submit payments electronically. Any informational returns that do not require a tax payment must also be filed electronically. You can bulk file returns through [INtax](#). [Click here](#) for more alcohol filing information.

Fuel

If you sell fuel, you must register for a fuel license by submitting the [FT-1, Fuel Tax License Application](#), along with the required application fees, bonds, and supporting documentation. After processing, you will receive a license card or a permit to display at the business location.

You can apply for the following licenses by filing the FT-1: supplier, permissive supplier, terminal operator, fuel blender, importer, exporter, dyed fuel user, transporter, gasoline distributor, oil inspection distributor, gasohol blender, gasoline use tax, aviation fuel dealer, marina fuel dealer, and petroleum severance. Aviation fuel dealers and marina fuel dealers are not required to file a return or make any payments other than the application fee. You will file [fuel tax returns](#) depending on your license.

Gasoline

A gasoline use tax is imposed on gasoline and gasohol fuels. The department calculates the gasoline use tax rate by the gallons sold and a rolling, monthly average retail price per gallon. The gasoline use tax is collected when a qualified distributor sells gasoline to a nonqualified distributor. The tax is not collected when a qualified distributor sells to another qualified distributor or exports the gasoline to another state. Qualified distributors must collect and remit the tax from the nonqualified distributor to the department.

Gasoline distributors must report and remit the gasoline use tax due on gasoline use tax Form GT-103. They also must complete a gasoline use tax monthly recap (Form [GT-103DR](#)); [Schedule 1: Receipts](#); and [Schedule 2: Disbursements](#). You can complete the forms through [INtax](#) or bulk file.

Aviation Fuel

If you sell aviation fuel, you must register for an Aviation Fuel Excise Tax License by completing a paper [AVF-1](#) application. You will receive a license to display at your business location, and must file and pay Form AVF-150 via [INtax](#).

Truck Stop Owner's License

Truck stop owners must file form [TSOL-1](#) to apply for a truck stop owner's license. You will then receive a license card to display at the business location. No registration fee, returns, or payments are required for a truck stop owner's license.

Propane Dealers

Propane dealers must register with the department for a propane dealer's license by completing form [PDL-1](#). You must pay a \$50 application fee, and you will receive a certificate to display at the business location.

Alternative Fuel Decals

Businesses that purchase alternative fuel decals must complete form [SF-801](#) and mail a check payment. The annual fee for the decal is based upon the type and weight of the vehicle. The fees range from \$100 to \$500. [SF-801](#) provides a rate schedule. There are no further filing requirements for alternative fuels.

Fees

Tire Fee

If you sell tires for self-propelled vehicles, you must collect an additional Indiana tire fee of 25 cents per tire. All tires mounted on self-propelled vehicles are subject to the tire fee, except for tires for garden tractors propelled with less than 25-horsepower motors. A tire mounted on a farm tractor; an implement of agriculture; a semitrailer; or equipment used in transportation, manufacturing, agriculture, construction, or mining is subject to the tire fee. You can file and pay the tire fee in [INTax](#).

Fireworks Public Safety Fee

If you sell fireworks, you must collect an additional 5 percent public safety fee. Items detonated or burned to produce a visible or audible effect are considered fireworks. These items may include:

- Firecrackers
- Roman candles
- Missile-type rockets
- Wire sparklers

If you sell consumer fireworks, you must register with the state fire marshal. After you are registered with the state fire marshal, you will automatically be registered with the department and receive the necessary forms to remit the public safety fee. The public safety fee is due 20 days after the end of the month in which the public safety fee was collected.

Prepaid Wireless Fee

All retail merchants in Indiana who sell prepaid wireless telephone services (through the sale of a prepaid phone or prepaid phone card) must collect \$.50 per sales transaction.

The prepaid 911 enhancement fee ensures Indiana complies with 911 requirements set by Indiana law [IC 36-8-16.6-14](#). This fee should not be included in any sales tax calculations.

You must remit all fees collected to the department on or before the date you are required to file your sales tax, following the date of the transaction through [INTax](#). Retail merchants may keep 1 percent of the transaction fee to cover collection efforts.

Tax Filing Deadlines Calendar

The Indiana Department of Revenue offers a [tax filing deadlines calendar](#). The calendar is continuously updated and can be downloaded in a PDF.

Filing and Paying Taxes

[INtax](#)

With [INtax](#), you can manage Indiana taxes and access business tax records 24/7, file and pay online right up to the last deadline minute, and save the cost and hassle of mailing in returns each month. You can file and pay the following tax types in [INtax](#):

- Aviation fuel tax
- Retail sales tax
- Withholding tax
- Motor fuel tax
- Gasoline excise tax
- Special fuel tax
- Tire fee
- Prepaid sales tax
- Metered pump
- Type II gaming
- Wireless prepaid
- Gasoline use tax
- Streamline sales tax
- County innkeeper's tax (November 2014)
- Food and beverage tax (November 2014)

[ePay](#)

[ePay](#) is the department's electronic tax payment service. You can access [ePay](#) 24/7 and make tax payments by Visa, MasterCard, Discover, or e-check. Payments accepted by [ePay](#) include:

- Bill payment - Make corporate or individual tax payments of one or more liabilities or cases.
- Estimated payment - Pay corporate or individual income tax installment payments, and view estimated payment history.
- Extension payment - Make expected corporate and individual income tax payment, as a result of not being able to file a completed tax return by the due date.
- Individual income tax payment - Pay the amount of tax due as a result of filing an Indiana individual income tax return.

Electronic Funds Transfer

You have the option to sign up and pay through EFT. The available choices to pay are ACH Debit and ACH Credit. For more information about paying using EFT, please call (317) 232-5500.

Paper Filing and Payment Methods

For some taxes, electronic returns and payment methods are currently unavailable. For taxes that do not require electronic filing, you may choose to file a paper form and pay with a check or money order. [Click here](#) to find a list of the various addresses to which to mail paper forms, coupons, and checks or money orders. Please be sure to address the envelope to the Indiana Department of Revenue.

Closing a Business Account

To close your business-tax accounts with the department, you must submit a Business Tax Closure Request, [Form BC-100](#).

The department requires documentation to verify your business closure. You must include one or more of the following:

- Minutes of the final board of directors meeting
- Records of bank accounts closed
- Articles of dissolution
- Notarized statement of dissolution from an officer of the business
- Final utility bills
- Proof of dissolution filed with the Internal Revenue Service
- Books and records
- Other pertinent information

The department will not accept or process a BC-100 without the proper verification enclosed. If you do not have proper documentation, the department will accept a notarized signature of a responsible officer on the BC-100 or a notarized statement from a responsible officer on business letterhead that includes the name of the business, the Indiana tax identification number, the month closed, and the tax type. Closing a tax account requires a separate BC-100 for each location to be closed. Failure to provide a BC-100 for a location or tax type may result in the business continuing to receive additional tax assessments for any unclosed locations and/or tax types.

Please send the completed form and documentation by fax to (317) 232-1021 or mail to:

Indiana Department of Revenue
Tax Administration Processing
P.O. Box 6197
Indianapolis, IN 46206-6197

Please note: Mailing the form and then faxing it as well creates duplication and may slow down processing.

If you have any additional questions about closing a business tax account, please call (317) 233-4015.

Contact Information

Individual Income Tax Questions	(317) 232-2240	www.in.gov/dor/4703.htm
Business Tax Questions	(317) 233-4015	www.in.gov/dor/3335.htm
Corporate Income Tax	(317) 232-0129	www.in.gov/dor/3335.htm
INtax Hotline	(317) 232-2337	www.in.gov/dor/4336.htm
Streamlined Sales Tax	(317) 233-4015	www.in.gov/dor/3341.htm
Automated Information Line	(317) 233-4018	
Collection/Liability Inquiries	(317) 232-2165	www.in.gov/dor/3959.htm
Motor Carrier Services	(317) 615-7200	www.in.gov/dor/4106.htm

In addition, the department offers several other ways for you to learn about important tax updates at your convenience:

- Become a Facebook fan by finding the Indiana Department of Revenue on Facebook.
- Follow us on Twitter at www.twitter.com/INDeptofRevenue.
- Subscribe to our *Tax Talk Blog* at www.in.gov/dor/3877.htm.
- Sign up for automatic email updates on the department's website at www.in.gov/dor.

To access tax forms, information bulletins and directives, tax publications, and more, visit our website at www.in.gov/dor.

If you have any suggestions regarding forms or forms processing, please send an email to feedback@dor.in.gov.

If you need additional assistance, please call us at any of the phone numbers listed or visit one of our [district offices](#). Our office hours are Monday through Friday from 8:00 a.m. to 4:30 p.m.

Additional Resources

[Indiana Department of Revenue](#)

[IRS](#)

[Indiana Secretary of State](#)

[Indiana Small Business Development Center](#)

[Indiana Economic Development Center](#)

[Indiana Department of Labor](#)

[Indiana Department of Workforce Development](#)