On Sept. 8, 2020, DOR kicked off the second phase of the four-part Project NextDOR tax modernization project. Business customers with sales and withholding tax obligations now use DOR’s new e-services portal, the Indiana Taxpayer Information Management Engine (INTIME). Designated tax types that have moved to INTIME in Rollout 2 versus which tax types currently remain in INtax are illustrated in the graphic above.

An INTIME User Guide is available at dor.in.gov/files/INTIME_Guide.pdf for information on managing an account, power of attorney, filing returns, making payments, updating business information and more.

See the Filing and Paying Taxes section on page 27 for more information.
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This handbook is provided through DOR’s Business Education Outreach Program.

The Business Education Outreach Program provides taxpayer education and advice for professional associations, colleges, businesses organizations, civic groups and more. For more information visit dor.in.gov/business-tax/business-education-outreach-program or email bizoutreach@dor.in.gov.

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**Disclaimer:** Every attempt is made to provide information that is consistent with the appropriate statutes, rules and court decisions. Any information that is not consistent with the law, regulations or court decisions is not binding on either DOR or the taxpayer. Therefore, the information provided herein should serve only as a foundation for further investigation and study of the current law and procedures related to the subject matter covered herein.
Commissioner’s Letter

Dear Business Owner,

The Indiana Department of Revenue (DOR) wants to ensure you have the best opportunity to succeed in your business, because it’s hard-working Hoosiers like you who bring jobs, innovation and progress to our state.

DOR serves businesses in a variety of ways, but many new and small business owners are unfamiliar with who we are, what we do and the helpful services we provide. Over the last few years, we’ve worked hard to improve our systems, services and culture; we’ve made it our purpose to provide great government service at a great value to our customers, including you.

In support of that quest, we created this handbook to help you better understand state laws, the tax filing process and what services are available to support you as your business grows and succeeds. It will walk you through how to:

- Register with DOR and other state agencies through INBiz
- Collect and remit the most common taxes for small businesses
- Properly file and pay taxes to avoid fees and penalties
- Use our new, online service portal, INTIME
- Find resources so you can learn more, resolve issues and stay compliant

Along with this handbook, you may also want to visit DOR’s New and Small Business Education Center at smallbiz.in.gov, which we created to give entrepreneurs and small business owners, like you, helpful information and resources.

DOR’s Business Education Outreach Program also offers free presentations for new and small businesses. These events provide more information about the topics covered in this handbook and allow attendees the opportunity to have questions answered by an experienced DOR representative. You can find more information by visiting our website at dor.in.gov/business-tax/business-education-outreach-program.

On behalf of DOR’s 700 team members, I want to offer our assistance as you launch and grow your business. We’ve detailed ways to contact us by phone, email and mail, as well as in person, on page 30 of this handbook. Please don’t hesitate to reach out if you have questions.

Starting and succeeding in a new or small business is both a dream and challenge. Understanding taxes is often one of the biggest challenges, remember we are here to help.

Best regards,

Bob Grennes,
Commissioner
Business Structures

The first step in starting your business is deciding which type of business organizational structure will best meet your business goals. This will determine how to “form” your business, who will assume liabilities such as taxes and other details that affect day-to-day operations. The types of structures and how they are taxed 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. You may also need to file with your local government, DOR and the Internal Revenue Service (IRS). Read the registration section to determine your registration requirements.

**Sole proprietorship**
One person who conducts business for profit is a sole proprietorship. 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. It is important to keep track of business expenses so you can accurately report them on your individual tax return. Many businesses find it useful to keep separate personal and business records, bank accounts etc.

**General partnership**
A general partnership is defined as two or more individuals as co-owners of a for-profit business. All partners are responsible for the liabilities and debts of the partnership.

Tax: General partnerships have the benefit of single taxation. Income is reported as part of each partner’s personal income.

Formal Associations
The following formal business associations require registering with the Indiana Secretary of State in addition to the IRS and DOR.

**C Corporation**
A C corporation, often called a corporation, is a legal entity created by filing Articles of Incorporation with the Indiana Secretary of State. The corporation is legally responsible for all liabilities and debts. A C corporation is owned by shareholders. Shareholders may be protected from the corporation’s debts and liabilities.

Tax: Income is taxed twice—1) at the corporate level and 2) at either the employee level when wages are paid or at the shareholder level when dividends are distributed.

**S Corporation**
An S corporation begins as a C corporation. After filing Articles of Incorporation, the corporation may elect to obtain S corporation status from the IRS (see IRS Registration section on page 6 for more details). To qualify, the corporation may not have more than 100 shareholders and must meet other criteria. 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.

Tax: The income of an S corporation is taxed once, at the employee or shareholder level.

**Limited Liability Company (LLC)**
An LLC is a formal association that combines the advantage of a corporation’s limited liability with the flexibility and single taxation of a general partnership. An LLC has members rather than shareholders. A member has protections from the LLC’s liabilities and debts. Although not required by law, an LLC should operate under a written operating agreement.

Tax: LLCs may elect how to be taxed. If the LLC qualifies under IRS guidelines, it may be taxed once at the employee or member level.
Nonprofit Corporation
A nonprofit corporation’s purpose is to engage in activities that do not financially benefit its members.

Tax: Nonprofits must obtain tax-exempt status from the IRS and file with DOR to be free from certain tax obligations (see the IRS Registration section on page 6 and the DOR Registration section on page 8 for more details).

Limited Partnership (LP)
A LP is 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 full liability and debt.

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

Limited Liability Partnership (LLP)
An LLP is 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 are protected 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.

Need Help?
If you want additional information or are unsure of which business type your business is considered, DOR strongly recommends you consult a qualified tax attorney or tax professional. We have additional information on finding a qualified tax practitioner at dor.in.gov/individual-income-taxes/filing-my-taxes/find-a-professional-tax-preparer. The Indiana Small Business Development Center (SBDC), isbdc.org, may also be able to help. SBDC has offices throughout the state and provides entrepreneurs with expert guidance and a comprehensive network of resources.
Federal Employer Identification Number
Your next step in forming a business is obtaining a Federal Employer Identification Number (FEIN), also sometimes referred to by the IRS as EIN. A FEIN is issued by the IRS and DOR for tax administration purposes and to identify your businesses as a unique entity.

Under federal guidelines, you need a FEIN if you have employees, a qualified retirement plan, operate your business as a corporation or partnership or file employment taxes or excise taxes. If you are not required to obtain a FEIN, your Social Security or Tax Identification number may be used in its place.

If you believe your organization qualifies for tax exempt status, you will need to legally form your organization (see page 7 for more details) before applying for a FEIN.

You can find more information and obtain a FEIN online at irs.gov/ein.

Additional Requirements
Certain entities have additional IRS registration requirements. For example, corporations seeking S corporation status will need to submit Form 2553 at irs.gov/pub/irs-pdf/f2553.pdf.

Nonprofit corporations will need to obtain tax exempt status from the IRS. 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 at irs.gov/pub/irs-pdf/p557.pdf for more information.

IRS Contact Information
Business and Specialty Tax Line and EIN Assignment: (800) 829-4933
Tax Exempt and Entities: (877) 829-5500
IRS Information Line: (800) 829-1040

More information on federal tax requirements for businesses is available at irs.gov/businesses/small-businesses-self-employed.
The Indiana Secretary of State has partnered with DOR and several other state agencies to create a streamlined process to help register and manage your business. INBiz is a one-stop portal that allows you to register your business with DOR, the Indiana Secretary of State and Department of Workforce Development.

DOR recommends using INBiz to register a new business as it is the simplest way to get started. You can visit INBiz at inbiz.in.gov. Below, we have provided a simple overview of the ways each of these agencies help small businesses streamline state government regulations and obligations through INBiz.

While INBiz is a convenient way to register your business with several state agencies at once, you may need to complete other steps or register with additional agencies before and after using INBiz to ensure your business is compliant with local, state and federal regulations. See page 10 for more information.

INBiz Contact Information
Website: inbiz.in.gov
Address: 302 W. Washington Street, Room E018, Indianapolis, IN 46204
Telephone: (317) 234-9768
Email: inbiz@sos.in.gov

Indiana Secretary of State Registration
The Secretary of State is responsible for registration of new businesses, regulation of the securities industry, oversight of state elections, commissioning of notaries public, registration of trademarks and licensing of vehicle dealerships throughout Indiana.

Selecting a Business Name
Indiana law requires that all business entities must be distinguishable from others which are on record with the Secretary of State. To check whether a potential business name is available, visit bsd.sos.in.gov/publicbusinesssearch. This is only a preliminary search; the name cannot be guaranteed as available until the final processing is completed at the time of filing. If the name is available, you may either file an application to reserve the name for 120 days or file documents to form the business under that name.

Formation and Organizational Documents
Organizational documents for formal associations must be filed with the Secretary of State. More information and most filings are available for completion online through INBiz.

- Corporations and benefit corporations (including C corporations, S corporations and nonprofit corporations) are formed by filing Articles of Incorporation.
- LLCs are formed by filing Articles of Organization.
- LPs are formed by filing a Certificate of Limited Partnership.
- LLPs are formed by filing a registration.
Continuing Responsibilities
After you have formed your business or have 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 two years through INBiz.

Business Entity Reports are due every other year at the end of the month of the entity’s formation. To find out when your business entity report is due, conduct a Business Search by visiting bsd.sos.in.gov/publicbusinesssearch. The Secretary of State will send a reminder notice in the month your report is due to the address on record.

Registered Agent
Each business entity must assign and maintain a registered agent and address. The Registered Agent is the legal representative and contact for the business and is responsible for receiving important legal and tax documents on behalf of the business. It may be a person or another formal business association which was incorporated (or qualified) in Indiana and which maintains a valid Registered Agent in Indiana.

Business Email Address
It is essential to maintain a current business email address. This email is where you will receive Business Entity Report reminders and other notices when a change is made to your business.

Secretary of State Contact Information
Website: in.gov/sos
Address: 302 W. Washington St., Room E-018, Indianapolis, IN 46204
Telephone: (317) 234-6578

Department of Workforce Development Registration
If you have employees, even temporary ones, you will need to register with the Department of Workforce Development (DWD), which oversees employee reporting, unemployment insurance and wage reporting for the state of Indiana.

DWD defines an employer as any legitimate organization that uses workers or employees under an implied or written contract and in return pays that worker a salary or wages. If you meet this definition of an employer, you need to register with DWD during the first quarter in which you hire your first employee.

Quarterly Wage Reports
The most common DWD filing is quarterly wage reports, which ensures the fairness of a host of programs, including unemployment insurance, veterans’ services, public welfare and child support. Employers can file their quarterly wage reports electronically on INBiz.

Additional, required forms be found on DWD’s website at in.gov/dwd/2406.htm.

DWD Contact Information
Website: in.gov/dwd
Address: 10 North Senate Avenue, Indianapolis, IN 46204
Telephone: (800) 891-6499

Indiana Department of Revenue Registration
DOR is responsible for collecting and processing over 65 tax types in Indiana, including most of the state taxes your business will remit. However, some tax types are handled by other agencies. For example, property taxes are handled by the Department of Local Government and Finance (in.gov/dlgf/2516.htm) along with your local government, and state unemployment taxes are handled by DWD (in.gov/dwd/3474.htm).
Business Tax Application
To register with DOR, you must complete the BT-1 Business Tax Application, through INBiz. After you have registered, you will receive an Indiana Tax Identification Number (TID) that allows your business to be identified in DOR’s system.

Please note that the application will require you to name a “responsible officer.” This is a person responsible for filing tax forms and held liable for remitting taxes if the business fails to comply with tax obligations.

Required BT-1 application information includes:
- FEIN
- TID (if already registered with DOR and adding a location or new tax type)
- Name of contact person responsible for filing tax forms, also known as the “responsible officer”
- Business contact name and daytime phone number
- Owner, legal, partnership, corporate or other entity name and contact information
- Business trade name or “Doing Business As” name and contact information (note, P.O. Box numbers cannot be used as a business location address)
- Type of organization
- Indiana Secretary of State control number (if applicable)
- For corporations: state and date of incorporation, state of commercial domicile, date authorized to do business in Indiana if not incorporated in Indiana and accounting period year ending date
- NAICS code, a federal code that classifies your business based on its industry sector (see census.gov/eos/www/naics for more information)
- Tax type(s) for which the business is registering, see the list starting on page 11.

Additionally, you will need to register in INBiz if your business will do any of the following:
- 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 (county innkeeper’s tax)
- Rent motor vehicles (motor vehicle rental tax)
- Rent heavy equipment (heavy equipment rental excise tax)
- Distribute gasoline (gasoline use tax)
- Sell tires (tire fee)
- Sell prepaid phones or phone cards (prepaid wireless fee)

For any tax type not mentioned above, you will need to register directly through DOR, rather than through INBiz. See the Tax Types section starting on page 11 for a list of other taxes and how to register for them.

Registered Retail Merchant Certificate
To operate a retail (sales) business in Indiana, you must apply for a Registered Retail Merchant Certificate (RRMC) from DOR. This includes anyone making a wholesale or retail sale. To obtain a RRMC, you must file the BT-1 application through INBiz and list the location of each place of business where the retail merchant makes retail transactions. You’ll pay a separate registration fee for each place of business listed on the application.

DOR will issue an RRMC for each of the places of business listed on the application. The RRMC is valid for two years and renews automatically with no additional charge. One exception is if a business fails to file required returns and/or remit payment of sales, use or withholding tax liabilities; in this case the RRMC will expire and not allow the business to perform retail transactions until renewed.

Additional Nonprofit Requirements
In addition to registering with the IRS, qualifying nonprofits who wish to have a sales tax exemption must also file an application with DOR. Form NP-20A, Nonprofit Application for Sales Tax Exemption is available through INTIME at intime.dor.in.gov.
Additional Business Registration Requirements

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 may contact your local Small Business Development Center though isbdc.org/locations. To ensure your business complies with local zoning regulations, contact your city or county planning/zoning commission. You may also contact the Indiana Professional Licensing Agency at in.gov/pla to learn what licenses you may need.

Register with County Assessor
All business owners must file annually with the county assessor’s office within the community in which they operate their business. To learn more about which forms you may need to submit, visit in.gov/dlgf/7576.htm. You can find contact information for your county assessor’s office at in.gov/dlgf/2440.htm.

Indiana New Hire Reporting Center
In addition to unemployment and wage reporting, federal and state laws require employers to report newly hired and re-hired employees to the Indiana New Hire Reporting Center. You must report all employees who reside or work in Indiana including those whom you anticipate paying wages. For more information on reporting new/re-hired employees, visit in-newhire.com. To get information on the new hire reporting requirements, contact the Indiana New Hire Reporting Center at (866) 879-0198.

Requirements Not Listed
This list of requirements is not comprehensive. You may need to register with other agencies and organizations or complete additional steps to form your specific business. See our Additional Resources section on page 32 for a list of guides and organizations that may be able to help you navigate these steps.

Requirements for Employers
Those who are or will be hiring employees should consult our Requirements and Information for Employers section on page 32 to make sure they comply with all state and federal regulations.
Tax Types

Depending on the nature of your business, you may need to file several different types of taxes. The following pages contain information on some of the most common tax types for small businesses, along with information on tax requirements, registration, filing, forms, recordkeeping and more.

General Information

Tax Forms
The type of income tax form your business files will depend on how the business is organized. Current year tax forms can be found at dor.in.gov/tax-forms.

<table>
<thead>
<tr>
<th>Business Organization</th>
<th>Income Tax Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sole Proprietorship</td>
<td>The income of a sole proprietor is reported on one of the IT-40 series of forms as individual income.</td>
</tr>
<tr>
<td>General Partnership</td>
<td>General partnerships report their income on the IT-65 and the partner reports income on the IT-40 or IT-40PNR.</td>
</tr>
<tr>
<td>Limited Liability Partnership</td>
<td>The income of an LLP is taxed the same as a general partnership. Complete Forms IT-65 and IT-40 or IT-40PNR.</td>
</tr>
<tr>
<td>Limited Partnership</td>
<td>The income is taxed in the same way as a general partnership. Complete Forms IT-65 and IT-40 or IT-40PNR.</td>
</tr>
<tr>
<td>C Corporation</td>
<td>The C 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.</td>
</tr>
<tr>
<td>S Corporation</td>
<td>The S corporation will complete an IT-20S and the shareholder or employee will complete an IT-40 or IT-40PNR.</td>
</tr>
<tr>
<td>Nonprofit Corporation</td>
<td>To qualify properly as a nonprofit and be free from specific tax burdens, you must secure tax-exempt status from the IRS and DOR. After nonprofit status is granted, file the IT-20NP and/or NP-20.</td>
</tr>
<tr>
<td>Limited Liability Company</td>
<td>If the LLC qualifies under IRS guidelines, it may be taxed only once. One of the following forms must be filed in Indiana: IT-40, IT-40PNR or IT-65.</td>
</tr>
</tbody>
</table>

Note: Pass-through entities (such as partnerships, S corporations and certain LLCs) do not pay income taxes at the corporate level. Instead, these businesses report their income on the individual income tax returns of owners. Although pass through entities do not pay tax themselves, they still must file returns showing all their tax activity and what is being passed through to partners, members, etc.

There are special rules for shareholders and partners who are not Indiana residents. IT-20S or IT-65 returns include composite tax return schedules to calculate and pay the individual or corporate income tax due for the income “passed through.” Any non-resident individual included on a composite tax return and having no other Indiana income is relieved of the obligation to Form IT-40PNR. See the Composite Withholding for Nonresidents section on page 15 for more information.

Tax Filing Deadlines
Tax filing deadlines can be found on DOR’s website at dor.in.gov/individual-income-taxes/filing-my-taxes/tax-filing-deadlines.
**What to Do When No Tax Is Due**

Be aware, businesses are required to report and pay taxes every filing period. Seasonal or temporarily closed businesses (those who have not submitted a Business Tax Closure Request with DOR, see page 29 for more information), may have periods where they do not collect tax revenue. For these periods, the business needs to file a $0 return. This will ensure your business does not receive an estimated bill from DOR.

**Personal Income Tax**

As discussed in the Business Structures section on page 4, for most types of businesses, income is taxed on the individual level. That means business income must be reported and taxed on the personal tax return of the business owner or each individual member, partner, shareholder etc.

**Federal Requirements**

Whether you must file a federal income tax return depends on your gross income, filing status and age, as well as if 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.

Visit [irs.gov/filing](http://irs.gov/filing) for information about filing and reporting federal income tax.

**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 for work sourced to 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.

**Indiana Individual Income Tax Return Forms**

- Form IT-40, for full-year residents
- Form IT-40PNR, for part-year or full-year nonresidents
- Form IT-40RNR, for nonresidents living in reciprocal states (Kentucky, Michigan, Ohio, Pennsylvania and Wisconsin)

Visit [dor.in.gov/individual-income-taxes](http://dor.in.gov/individual-income-taxes) for information about filing and reporting state income tax.
**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 “in trust” and then submitted to DOR. 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 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 through INBiz, the business must have a FEIN.

Distributions of income to nonresident shareholders, nonresident partners and beneficiaries also have a withholding tax that must be remitted to Indiana. See the Composite Withholding for Nonresident Shareholders/Owners section on page 15 for more details.

**Independent Contractors**

While you are required to collect income withholding taxes for employees you hire, the same is not true if you hire independent contractors. Independent contractors generally do not have income tax withheld by the parties that they contract with for services. Instead, the independent contractor is required to file quarterly estimated income tax payments with DOR. The simple guideline is that if there is no federal withholding and the independent contractor is required to make federal estimated payments, then Indiana requires the independent contractor to make Indiana estimated payments if their annual Indiana income tax liability exceeds $1,000.

Distinguishing an employee from an independent contractor can be difficult. Based on federal guidelines, an individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done. The IRS provides information about independent contractors, and guidance on how to distinguish an employee from an independent contractor at [irs.gov/businesses/small-businesses-self-employed/independent-contractor-defined](https://irs.gov/businesses/small-businesses-self-employed/independent-contractor-defined).

There are two required federal forms for businesses hiring independent contractors. You can find these forms and more information about them at [irs.gov/businesses/small-businesses-self-employed/forms-and-associated-taxes-for-independent-contractors](https://irs.gov/businesses/small-businesses-self-employed/forms-and-associated-taxes-for-independent-contractors).

- **Form W-9, Request for Taxpayer Identification Number and Certification** – This form can be used to request the correct name and taxpayer identification number of the worker. It is filled out by the independent contractor and returned to you for at least four years for future reference.
- **Form 1099-NEC, Nonemployee Compensation** – This form can be used to report payments made to independent contractors. If you pay an independent contractor $600 or more for services provided during the year, you must complete Form 1099-NEC, send a copy to the independent contractor and send a copy to the IRS by Jan. 31 of the following year.

**Requirements**

Registration for withholding tax is necessary if your business has employees. 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 income tax. If you have questions about your specific situation, you may call DOR at (317) 232-2240.

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 withholding taxes for employees who reside in reciprocal states, read Income Tax Information Bulletin #33 at [dor.in.gov/files/ib33.pdf](https://dor.in.gov/files/ib33.pdf).
Businesses should remit withholding on time and correctly. If withholding payments are not made by the due date, penalties and interest will be assessed.

**Registration**
You can register to remit withholding tax online through INBiz. There is no fee to register. Required information includes:

- Accounting period year ending date
- Date taxes were first withheld
- Dollar amount of anticipated monthly wages paid
- Address to which to send your WTH tax returns

Once registered, you will receive a TID allowing your business to be identified in DOR’s system.

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**Computing Withholding for State and County Income Tax**

Withholding of county income tax is required in all 92 Indiana counties. Departmental Notice #1 at dor.in.gov/files/dn01.pdf details the income tax withholding rates for Indiana counties and explains how to withhold taxes. Indiana’s withholding tax rate is 3.23%. The county tax rate will depend on where the employee resided on Jan. 1. All county tax rates are listed in Departmental Notice #1.

---

**Filing Information**

All businesses in Indiana must file and pay their withholding taxes electronically (see Filing and Paying Taxes section on page 27 for more information), as required by Indiana law. However, an exemption from this requirement is possible under certain circumstances. Call (317) 232-2240 to request Form BT-EX, if you believe you qualify for an exemption.

**Filing Frequencies**

<table>
<thead>
<tr>
<th>Monthly Average Tax Withheld</th>
<th>Filing Status</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>$83.33 or less</td>
<td>Annual</td>
<td>30 days after the end of the month</td>
</tr>
<tr>
<td>$1,000 or less</td>
<td>Monthly</td>
<td>30 days after the end of the month</td>
</tr>
<tr>
<td>More than $1,000</td>
<td>Early Monthly</td>
<td>20 days after the end of the month</td>
</tr>
</tbody>
</table>

**Forms**

**WH-4**

Upon initial employment, employees should complete an Employee’s Withholding Exemption and County Status Certificate, Form WH-4. This form provides you and DOR with:

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

You and the employee should keep a copy of the WH-4 for record to verify the county of residence and exemptions claimed by the employee. This impacts the amount of tax to be withheld and remitted. The employee should update the WH-4 when their information changes, such as if they move or get married, by Jan. 1 of the following year. The WH-4 is available at dor.in.gov/tax-forms/withholding-tax-forms.

**WH-1**

The Indiana Withholding Tax Voucher, WH-1, must be filed electronically. You can register for and file the WH-1 through INTIME at intime.dor.in.gov. The WH-1 should be completed and submitted on or before your due date. Submitting a WH-1 correctly ensures that your company’s withholding taxes are reported accurately and timely.
At the end of each year, all Indiana employers are required to complete and file an Annual Withholding Reconciliation Form, Form WH-3, by Jan. 31 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 25 or more W-2, W-2G, or 1099-R statements must file them electronically.

If you have multiple locations and file withholding for each separate location, then you must complete a WH-3 for each location. Additionally, a copy of each W-2 issued to employees must be submitted along with the annual WH-3 reconciliation, due by Jan. 31 each year. To file the WH-3, register for INTIME at intime.dor.in.gov. Bulk filing information and resources are available at dor.in.gov/business-tax/bulk-filing-your-indiana-business-taxes.

**Composite Withholding for Nonresident Shareholders/Owners**

Nonresident shareholder withholding is an amount held on the distributive share of the partnership’s or S corporation’s income that is allocated to a partner or shareholder who is not an Indiana resident. Any IT-20S or IT-65 return that has nonresident shareholders or partners must remit nonresident withholding tax due into the corporate income tax account with Form IT-6WTH.

S corporations and partnerships who are filing on a composite basis are required to file Form IT-6WTH to remit withholding for any non-Indiana distributions they make to shareholders or partners who are included in the composite return. All non-residents must be included on the composite tax return schedule attached to the IT-20S, IT-65 or IT-41. There is a $500 penalty assessed for each non-resident partner or shareholder not included in the composite filing.

The tax calculated on that schedule is totaled and is due from the S corporation, partnership or trust no later than April 15 or the 15th of the 4th month following the end of the taxable year if your business has chosen a different taxable year start date than the calendar year. See Income Tax Information Bulletin #72 at dor.in.gov/reference/files/ib72.pdf for more information.

**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 Jan. 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

Also keep documents that verify the correct amount of income tax was remitted to DOR such as:

- Copies of all WH-1s, WH-4s, 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, or longer if a judicial proceeding or appeal related to a listed tax is pending, and you must make them available to DOR upon request.

**More Information**

For more information about withholding tax, visit DOR’s website at dor.in.gov/business-tax/business-tax-faqs/#withholding or call (317) 232-2240.
Sales Tax

Sales tax is an excise tax imposed on retail transactions made in Indiana. If you sell goods or tangible personal property, you must register to collect Indiana’s 7% sales tax. 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 for the state.

Additionally, any merchant who makes sales into Indiana, regardless if they have physical connection in Indiana, must register and collect sales if the number of transactions or amount of total sales exceeds the thresholds established in the Indiana Code (see the Remote Sellers section on page 26 for more information). 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.

Exemptions

Sales tax is not collected on the following items:
- 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 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)

Additionally, some items are exempt from sales tax because of how they will be used by the purchaser. For example, transactions involving machinery, tools and equipment are exempt from sales or use tax if the person acquires them for use in direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining or finishing of other tangible personal property are exempt from sales tax (IC 6-2.5-5-3). Indiana law also provides several exemptions from sales and use tax relating to agricultural production. Exemptions include purchases of agricultural machinery and equipment, as well as animals, feed, seed, fertilizer and other tangible personal property, to be used in the production of food. More details on agricultural exemptions are available in Sales Tax Information Bulletin #9 at dor.in.gov/reference/files/sib09.pdf.

Form 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. This form is available at dor.in.gov/tax-forms/sales-tax-forms.

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 to verify exempt sales claimed. Records must identify the purchaser and amount of exempt sale.
Sales of Food
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 is subject to sales tax. This includes all food sold by a restaurant, even for carryout.

Food and food ingredients exempt from sales tax include 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. See Sales Tax Information Bulletin #29 at dor.in.gov/reference/files/sib29.pdf for more details about taxable and nontaxable food items.

In addition to sales tax on some foods, several counties and municipalities have established a food and beverage tax. See page 20 for more information.

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. For example, if 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. See the Use Tax section on page 19 for more information.

Registration
You must register for sales tax in INBiz to legally conduct retail sales in Indiana. A nonrefundable $25 fee must be submitted when you register. An application and separate $25 fee is required for each location. Required information includes the following:

- The month and year you will begin business or the date of your first sales
- Your estimated monthly taxable sales
- Whether you are a seasonal business
- Whether you will provide lodging for fewer than 30 days, sell food and beverages, sell alcoholic beverages, sell gasoline or special fuels through a metered pump, rent cars or trucks weighing less than 11,000 lbs., sell tires or rent heavy equipment for fewer than 30 days
- If you report sales tax on a consolidated basis, indicate whether this location is included
- Whether you make sales in Indiana at fairs, flea markets, etc.
- Whether you are registered for Streamline Sales Tax (if so, enter you SSTID number)

Once your registration is completed and processed, you’ll be issued a RRMC within 24 - 48 hours. One certificate is required to be displayed at each business location if you have more than one retail address. Be aware that an RRMC is not the same as a vendor’s license. 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.
Filing Information
ALL businesses in Indiana must file and pay their retail sales tax electronically. You must file via INTIME at intime.dor.in.gov or use a third-party vendor to electronically transmit Form ST-103. You can 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:

<table>
<thead>
<tr>
<th>Sales tax liability for fiscal year ending June 30 of the previous year</th>
<th>Collection allowance for Jan. 1 to Dec. 31 of the current year</th>
</tr>
</thead>
<tbody>
<tr>
<td>$60,000 or less</td>
<td>0.73%</td>
</tr>
<tr>
<td>$60,000.01 - $600,000.00</td>
<td>0.53%</td>
</tr>
<tr>
<td>$600,000.01 or more</td>
<td>0.26%</td>
</tr>
</tbody>
</table>

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

- Sales invoices, sales tickets and register tapes
- Copies of the sales tax returns as filed
- Any sales reports used in preparing the sales tax returns (journals, ledgers, etc.)
- Detailed report of the sales tax accrual account (if applicable)
- Third-party reports such as Credit Card Merchant Reports or IRS Form 1099-K reports
- Any other documentation used in calculating Indiana sales or sales tax and/or used in preparing the sales tax return
- Exemption certificates (Form ST-105) and detailed monthly reports of taxable and nontaxable sales (if applicable)

You must keep these records for at least three years in addition to the current year, or longer if a judicial proceeding or appeal related to a listed tax is pending, and you must make them available to DOR upon request.

More Information
- Find Form ST-105, Indiana General Sales Tax Exemption Certificate and other sales tax forms at dor.in.gov/tax-forms/sales-tax-forms
- Find Sales Tax Information Bulletins at dor.in.gov/legal-resources/tax-library/information-bulletins
- Call (317) 232-2240 with sales tax questions
**Use Tax**

Generally, any business or individual that purchases tangible personal property in a retail transaction is subject to use tax unless you previously paid at least a 7% sales tax on the purchase to the vendor.

Use tax can be thought of as a mirror of the sales tax. Use tax is a 7% tax on property brought into Indiana for use, storage or consumption in Indiana, unless there is an exemption.

- If you paid sales tax of 7% or more to the other state, you do not owe use tax to Indiana.
- If you paid sales tax of less than 7% to the other state, your Indiana use tax will be the difference between the Indiana 7% 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
- Any purchase for which a statutory exemption is not available per the Indiana Code (IC 6-2.5-5)
- Use tax is due (and collected by the dealer at the point of registration) 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.
- Non-registered retail merchants can report use tax on Form ST-115 on an annual, quarterly or monthly basis. They can also report use tax on corporate tax returns (IT-20, IT-20S or IT-65).
- Individuals can report use tax on individual tax returns (IT-40 or IT-40EZ) or use Form ST-115.

If you self-report the use tax due, you will only owe the tax. If you wait until DOR issues you a bill for the use tax due, you will have to pay a 10% penalty, plus interest. Indiana law requires use tax to be paid unless Indiana sales tax was paid on your taxable purchases.

**Forms**

- ST-103, Sales and Use Tax Voucher, available through INTIME at intime.dor.in.gov
- ST-115, Consumer Use Tax Return, available through INTIME at intime.dor.in.gov

**Record Keeping**

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

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

You must keep these records for at least three years in addition to the current year, or longer if a judicial proceeding or appeal related to a listed tax is pending, and you must make them available to DOR upon request.

**More Information**

Call (317) 232-2240 with use tax questions.
Food and Beverage Tax

In addition to state sales tax, some counties or municipalities require businesses that sell food and beverages to register for, collect and remit food and beverage (FAB) tax. FAB rates vary by county/municipality. The total rate that applies to a transaction is the county rate plus the municipal rate, if applicable. For example, the total FAB for a transaction occurring in Carmel, Ind. is 2%. The rate is based on the Hamilton County rate of 1% plus the municipality of Carmel rate of 1%. While this combined total is how the transaction would appear to customers, businesses are responsible for filing and remitting county and municipal FAB taxes separately.

DOR provides FAB rates for each county at dor.in.gov/business-tax/food-and-beverage-tax. Also, you can contact the county auditor’s office or the municipality to learn whether your county or municipality has FAB.

FAB is a percent of the gross retail income received from 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


Note: If the business is selling alcohol, a license from the Alcohol and Tobacco Commission is required. Visit in.gov/atc for more information.

Registration
Register through INBiz. There is no fee to register. Required information includes the following:
- The date of your first sales
- The names and starting dates of the counties, cities and towns where prepared foods or beverages are sold or catered

Filing Information
FAB is imposed, paid and collected in the same way as sales tax. You may file and pay FAB through Form FAB-103, available through INTIME at intime.dor.in.gov.

With the exception of Johnson County, all tax returns and remittances for FAB are required to be filed with DOR. Johnson County passed an ordinance to have the tax remitted to the county treasurer. Tax returns and remittances for FAB in the City of Greenwood, which is within Johnson County, are required to be filed with DOR effective March 1, 2020.

Record Keeping
You are required to keep copies of all FAB returns as well as detailed reports of prepared food and beverage sales to verify the amounts reported on FAB returns. You must keep these records for at least three years in addition to the current year, or longer if a judicial proceeding or appeal related to a listed tax is pending, and you must make them available to DOR upon request.
More Information

- Use DOR’s interactive county tax rates map at dor.in.gov/business-tax/county-tax-information
- Visit dor.in.gov/business-tax/food-and-beverage-tax for more information
- Call the business tax information line at (317) 232-2240 with FAB questions
County Innkeeper’s Tax

In addition to state sales tax, some counties require a tax on the rental of rooms and accommodations, for periods less than 30 days, known as county innkeeper’s tax (CIT). Accommodations may 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

CIT does not apply when renting for 30 or more days. Some counties have a minimum room threshold for CIT or differences in the type of accommodations subject to CIT. Casual renters—owners of a house, condominium or apartment that is the owner’s primary personal residence may rent or furnish rooms, lodgings or other accommodations in that residence—are exempt from sales tax and any applicable CIT under certain conditions (for more information, see General Tax Information Bulletin #204 at dor.in.gov/reference/files/gb204.pdf).

CIT rates vary by county. CIT is remitted to either DOR or to the county that is enacting the tax. DOR provides a list of counties that have adopted CIT, their rates and whether the tax is collected by DOR or the county at dor.in.gov/business-tax/tax-rates-fees-and-penalties/county-innkeepers-tax. You also can contact the specific county auditor’s office to learn whether CIT will apply to your business. Note that marketplace facilitators that facilitate the rental of accommodations for periods less than 30 days, such as Airbnb, are required to submit CIT directly to DOR and should not register directly with counties that collect CIT. See the Remote Sellers section on page 26 for more information on marketplace facilitators.

Registration

You can register your business for CIT through INBiz. There is no fee to register. You will be asked to provide the date that rentals or accommodations begin from this location.

If your business is located in a county where CIT is collected at the county level, contact your county treasurer or assessor’s office to learn how to remit the tax. A list of each county with information on if their CIT is collected by DOR or the county is available at dor.in.gov/business-tax/tax-rates-fees-and-penalties/county-innkeepers-tax.

Filing Information

CIT is remitted to either DOR or to the county that enacted the tax. You must file a return for each adopting county. If CIT is remitted to DOR, you can file CIT returns and pay via INTIME at intime.dor.in.gov. For the counties that collect their own CIT, please contact the county treasurer of the respective counties.

More Information

- Use DOR’s interactive county tax rates map at dor.in.gov/business-tax/county-tax-information
- See the Indiana CIT Guide at dor.in.gov/files/cit-guide.pdf
- Visit dor.in.gov/business-tax/tax-rates-fees-and-penalties/county-innkeepers-tax for more information
- Call the business tax information line at (317) 232-2240 with CIT questions
Additional Taxes, Licenses and Fees

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% motor vehicle rental (MVR) excise tax. Marion County has a supplemental tax as well. Call (317) 232-2240 for Marion County information. Vehicles rented by entities exempt from sales tax (including local governments and nonprofits) are not exempt from the motor vehicle rental excise tax.

You may register for MVR through INBiz. There is no fee to register. Required information includes the following:

- Date when rental or leasing begins
- The tax district number of this location
- Mailing name and address for MVR returns

Businesses should file and pay motor vehicle rental excise tax through Form MVR-103, which is available on INTIME at intime.dor.in.gov. For more information on the motor vehicle rental tax, call the sales tax information line at (317) 232-2240 or see Sales Tax Information Bulletin #47 at dor.in.gov/files/sib47.pdf.

Heavy Equipment Rental Excise Tax
If you rent or lease heavy equipment, you must collect a 2.25% heavy equipment rental excise tax. This type of equipment was previously subject to personal property tax, however HEA 1323 (2018) imposed this new tax type effective Jan. 1, 2019.

You can register for heavy equipment rental excise tax through INBiz. There is no fee to register. Required information includes the following:

- Date when rental or leasing begins
- The tax district number of this location

Businesses should file and pay heavy equipment rental excise tax on INTIME at intime.dor.in.gov. For more information on the heavy equipment rental excise tax, call the sales tax information line at (317) 232-2240 or visit dor.in.gov/business-tax/heavy-equipment-rental-excise-tax.

Peer to Peer Vehicle Sharing Tax
This tax is imposed on the sharing of passenger motor vehicles and trucks on a peer to peer vehicle sharing program or by vehicle owners through other means. The tax is imposed on vehicle sharing for periods of less than 30 days at a rate of 2% on the gross retail income received. Vehicles being shared are exempt from the auto rental excise tax and a county supplemental auto rental excise tax (unless an ordinance is adopted to impose the county tax).

You may register for peer to peer sharing tax through INBiz. There is no fee to register and you must also include the date that you begin vehicle sharing. For more information on peer to peer vehicle sharing tax, see Sales Tax Information Bulletin #47 at dor.in.gov/files/sib47.pdf.

Type II Gaming Tax
The Type II Gaming Tax is imposed on the distribution of gambling games—such as pull tabs, punchboards and tip boards—in the amount of 10% of the price paid by the retailer that purchases the games. The entity distributing the pull tabs, punchboards or tip boards is liable for the tax. 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 at intax.in.gov.
Cigarette and Other Tobacco Products Taxes
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 DOR by filing CIG-1A or OTP-1A available at dor.in.gov/business-tax/cigarette-and-other-tobacco-products-tax. Cigarette distributors must pay an annual $500 registration fee and tobacco distributors must pay a $25 fee. These fees are in addition to the $25 fee to register as a registered retail merchant. Distributors must purchase stamps within six days after accepting delivery of the cigarettes. Cigarette and OTP taxes must be filed and paid electronically. You can bulk file returns through INtax at intax.in.gov.

Alcoholic Beverage Excise Tax
Alcoholic Beverage excise tax is imposed on gallons of beer, flavored malt beverage, liquor, wine, mixed alcoholic beverages, hard cider and liquid malt 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 DOR. Alcohol excise taxes must be filed and paid electronically. You can bulk file returns through INtax at intax.in.gov. Visit dor.in.gov/business-tax/electronic-filing-for-alcohol-taxpayers for more information.

Fuel Taxes
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:

- Special Fuel Supplier
- Special Fuel Permissive Supplier
- Special Fuel Terminal Operator
- Special Fuel Importer
- Special Fuel Exporter
- Special Fuel Transporter
- Special Fuel Blender
- Dyed Fuel User
- Gasoline Distributor
- Oil Inspection
- Gasoline Use
- Aviation Fuel Dealer
- Marina Fuel Dealer
- Petroleum Severance
- Gasohol Blender

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. Form FT-1 and various fuel tax returns are available at dor.in.gov/tax-forms/fuel-tax-forms.

Gasoline Use Tax
A gasoline use tax is imposed on gasoline and gasohol fuels. DOR calculates the gasoline use tax rate by the gallons sold and a rolling, monthly average retail price per gallon. To register for a gasoline use tax permit, submit Form FT-1 (more information can be found in the Fuel Taxes section above).

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 DOR.

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 at intax.in.gov or bulk file. Forms and more information are available at dor.in.gov/business-tax/fuel-tax/gasoline-use-tax.

Aviation Fuel Excise Tax
If you sell aviation fuel, you must register for an Aviation Fuel Excise Tax License by completing Form AVF-1, available at dor.in.gov/tax-forms/fuel-tax-forms. You will receive a license to display at your business location and must file and pay Form AVF-150, Aviation Fuel Excise Tax, via INtax at intax.in.gov.
Truck Stop Owner’s License
Truck stop owners must file Form TSOL-1, available at dor.in.gov/tax-forms/business-tax-forms, to apply for a truck stop owner’s license. You will then receive a certificate to display at the business location. No registration fee, returns or payments are required for a truck stop owner’s license.

Propane Dealer’s License
Propane dealers must register with DOR for a propane dealer’s license by completing Form PDL-1, available at dor.in.gov/tax-forms/fuel-tax-forms. You must pay a $50 application fee and you will receive a certificate to display at your business location.

Alternative Fuel Decals
Businesses that purchase alternative fuel decals must complete Form SF-801, available at dor.in.gov/tax-forms/fuel-tax-forms. The annual fee for the decal is based upon the type and weight of the vehicle. The fees range from $150 to $750. SF-801 provides a rate schedule.

Tire Fee
If you sell new 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 register on INBiz and file and pay the tire fee through INTIME at intime.dor.in.gov.

Fireworks Public Safety Fee
If you sell fireworks, you must collect an additional 5% public safety fee. Revenue generated from this tax funds firefighter training and disaster relief, which is overseen by the Indiana Department of Homeland Security. See in.gov/dhs/2810.htm for more information. 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 DOR 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 $1.00 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 can register on INBiz and file and pay the tire fee through INTIME at intime.dor.in.gov. You are required to remit the charges collected to DOR on the same date your sales tax return is due. Retail merchants may keep 1% of the transaction fee to cover collection efforts if you report and remit by the deadline.

Additional Tax Rates and Fees
Information about additional tax rates can be found at dor.in.gov/business-tax/tax-rates-fees-and-penalties/miscellaneous-tax-rates, and a list of penalties and fees is available at dor.in.gov/business-tax/tax-rates-fees-and-penalties.
Remote Sellers and Marketplace Facilitators

For many years, sellers without a physical presence in a state were not be required to collect and remit sales tax to that particular state. However, on June 21, 2018, the United States Supreme Court issued its ruling in *South Dakota v. Wayfair, Inc.*, stating that physical presence is no longer required for sellers to be obligated to collect and remit sales taxes. DOR was authorized to begin enforcing Indiana’s economic nexus law starting Oct. 1, 2018.

This has some potential impacts on new and small business. For example, if you make business purchases through an out-of-state retailer (such as making purchases online or through catalog/mail order), your purchases may now be taxed by the out-of-state retailer.

Some, but not all businesses located outside of Indiana, will need to register and collect Indiana sales tax. A retail merchant without a physical presence in Indiana is required to register and collect Indiana sales tax if it:

1. Has gross revenues from sales into Indiana exceeding $100,000, including sales that are not subject to sales tax or are considered tax exempt OR
2. Performs 200 or more separate transactions into Indiana.

If your business makes sales into other states, know that many states have adopted provisions similar to Indiana’s, but there may be important differences. The Streamlined Sales Tax website, available at streamlinedsalestax.org/for-businesses/remote-seller-faqs, is a useful resource for remote seller rules in other states.

For more information on remote sellers visit dor.in.gov/business-tax/remote-seller-information.

**Marketplace Facilitators**

Another factor to be aware of is the impact of marketplace facilitators. Marketplace facilitators are businesses or people who own, operate or otherwise control a “marketplace” and facilitate a retail transaction. If you’re selling your goods out of state through a marketplace facilitator such as Amazon or Etsy or renting out your home through Airbnb, these platforms are likely responsible for collecting and remitting sales tax on your behalf. If you are unsure, you should verify that the marketplace is collecting and remitting on your behalf.

There’s a potential impact on those who use marketplace facilitators including restaurants, food sales and rental of accommodations. In addition to sales tax, if a marketplace is facilitating transactions that are subject to other taxes, such as FAB or CIT, the marketplace is required to collect those taxes as well, where applicable.

For more information on marketplace facilitators visit dor.in.gov/business-tax/remote-seller-information/marketplace-facilitators.
Filing and Paying Taxes

Corporate and Business Taxes – intime.dor.in.gov

DOR is undergoing a once-in-a-generation project to modernize our current tax system, including a new online e-services portal, the Indiana Taxpayer Information Management Engine (INTIME). INTIME enables Hoosiers to manage their taxes in one convenient location, 24/7. DOR launched the first of four rollouts in Sept. 2019 (Rollout 1) and the second in Sept. 2020 (Rollout 2). These tax types, referenced in the list below, can now use INTIME. The list also details when we expect each tax type to become available on INTIME.

Check out the INTIME User Guide at dor.in.gov/files/INTIME_Guide.pdf, for assistance registering for INTIME and helpful tips to ensure an easy transition into the new system.

Rollout 1 (Sept. 3, 2019)
- Aircraft Dealer/Excise
- C Corporation
- Financial Institution
- Non-Profit
- Partnership
- S Corporation
- Utility Receipts

Rollout 2 (Sept. 8, 2020)
- County Admissions
- County Innkeeper’s
- Food and Beverage
- Heavy Equipment Rental
- Indianapolis Motor Speedway
- Motor Vehicle Rental Excise
- Sales and Use Tax
- Tire Fee
- Utility Services Use Tax
- Wireless Prepaid Fee
- Withholding

Rollout 3 (Sept. 11, 2021)
- Controlled Substance
- Fiduciary
- Gaming Excise
- Individual
- Motor Carrier
- Pari-Mutuel Admissions
- Pari-Mutuel Wagering
- Racino Fees
- Racino Wagering
- Riverboat Admissions
- Riverboat Wagering
- Sports Betting
- Supplemental Wagering
- Type II Gaming

Rollout 4 (July 18, 2022)
- Alcohol Tax
- Alternative Fuel User
- Aviation Fuel
- Cigarette
- Diesel Inventory (Fuel Inventory)
- Employment Agency
- Firework Public Safety Fee
- Gasoline Use
- Motor Fuel
- Other Tobacco Products
- Peer to Peer Ride Share
- Petroleum Severance
- Rail, Commuter or Electric
- Special Fuel
- Terminal Operator
- Transporter

Additional Business Taxes – intax.in.gov

For business tax types not already available through INTIME, you can use INtax. INtax is a 24/7 e-portal that allows you file, pay and manage several taxes:

- Gasoline Use
- Metered Pump Sales
- Tire Fee
- Fuel Tax
- Type II Gaming
- Alcohol Tax
- Other Tobacco Products

Please note, the following tax types formerly available on INtax have moved to INTIME as of Sept. 2020: sales, withholding, tire fee, wireless prepaid fee, food and beverage, county innkeepers, motor vehicle rental excise and heavy equipment rental excise.
Individual Taxes – dorpay.dor.in.gov

DORpay is DOR’s 24/7 electronic tax payment service for individual taxes. Businesses who owe taxes reported on the IT-40 series of forms can use DORpay to make tax payments by Visa, MasterCard, Discover or e-check. Payments accepted by DORpay include:

- Bill payment – Make individual tax payments of one or more liabilities or cases.
- Estimated payment – Pay individual income tax installment payments and view estimated payment history.
- Extension payment – Make expected 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.

Visit dor.in.gov/online-services/dorpay-tax-and-bill-payment for more information about DORpay, including services offered and a quick start guide for users.

Paper Filing and Payment Methods

Most business taxes must be filed electronically. However, for taxes that do not require electronic filing, you may choose to file a paper form and pay with a check or money order. You can find a list of the various addresses to which to mail paper forms, coupons and checks or money orders at dor.in.gov/tax-forms/where-to-mail-completed-tax-forms. Be sure to address the envelope to the Indiana Department of Revenue.
Closing a Business Account

Business Closures
To close your business tax accounts with DOR, you must submit a Business Tax Closure Request, Form BC-100 available at dor.in.gov/tax-forms/business-tax-forms and available to e-file through INTIME at intime.dor.in.gov. You may 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 do not duplicate the submittal of your business closure form as 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, call (317) 232-2240.

Corporate Dissolutions
Corporations and LLCs dissolving in Indiana must file a notice of Corporate Dissolution, Liquidation or Withdrawal, Form IT-966 available at dor.in.gov/tax-forms/2020-corporatepartnership-income-tax-forms and available to e-file through INTIME at intime.dor.in.gov. Send the completed form to:

Indiana Department of Revenue
Enforcement Division/Corporate Dissolutions
100 North Senate Ave., Room N241
Indianapolis, IN 46204-2253

 Corporations that fail to file the proper dissolution forms with DOR may not be relieved of other tax obligations. Officers and shareholders may have personal liability if the corporation fails to submit required paperwork. For any questions regarding this form, you may call (317) 232-0129.

Additional Agency Requirements
Please note that closing your business with DOR does not end your obligations to any other agency. You should also notify the following agencies of your business closure:

- **Secretary of State** – you can dissolve your formal business structure through INBiz; see inbiz.in.gov/business-filings/close-business for more information.
- **Department of Workforce Development** – if you have employees, file a SUTA Account Number Termination or Transfer Request with DWD at in.gov/dwd/2406.htm.
- **Local Government** – you may also need to notify your local county assessor of your business closure; you can find contact information at in.gov/dlgf/2440.htm.
- **Federal Government** – visit the IRS website at irs.gov/businesses/small-businesses-self-employed/closing-a-business for information on federal business closure requirements.
Contact Information and Resources

Contact information is subject to change. Check dor.in.gov/contact-us for the most up-to-date listings.

**Contact DOR by Phone**

<table>
<thead>
<tr>
<th>Service</th>
<th>Phone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Income Tax Questions</td>
<td>(317) 232-2240</td>
</tr>
<tr>
<td>Business Tax Questions</td>
<td>(317) 232-2240</td>
</tr>
<tr>
<td>Corporate Income Tax Questions</td>
<td>(317) 232-0129</td>
</tr>
<tr>
<td>Collection/Liability Inquiries</td>
<td>(317) 232-2240</td>
</tr>
<tr>
<td>Motor Carrier Services</td>
<td>(317) 615-7200</td>
</tr>
<tr>
<td>Letter of Good Standing</td>
<td>(317) 232-0129</td>
</tr>
<tr>
<td>INtax Hotline</td>
<td>(317) 232-2240</td>
</tr>
</tbody>
</table>

**Contact DOR Electronically**

If assistance is needed with a business or corporate tax account, contact DOR using INTIME to submit a question or get your issue resolved easily and efficiently. Once you are logged in, get started with secure INTIME messaging by selecting the “All Actions” tab followed by clicking on the “Messages” section.

DOR also has an online general inquiry form at dor.in.gov/contact-us/contact-us-by-phone-email-or-mail/contact-the-indiana-department-of-revenue

Make an appointment to visit one of our district offices or call us at any of the phone numbers listed at dor.in.gov/contact-us/district-office-contact-info. Our office hours are Monday through Friday from 8:00 a.m. to 4:30 p.m.

**District Office Locations**

1. Bloomington  
2. Clarksville  
3. Columbus  
4. Evansville  
5. Fort Wayne  
6. Indianapolis  
7. Kokomo  
8. Lafayette  
9. Merrillville  
10. Muncie  
11. South Bend  
12. Terre Haute

Contact information can be found at dor.in.gov/3390.htm
Social Media

Connect with DOR at @INRevenue on the following social media outlets:

Find us on LinkedIn at
https://www.linkedin.com/company/indiana-department-of-revenue/

Subscribe to DOR Updates

DOR offers email subscriptions for Tax Bulletin, website updates, e-newsletters, most of our Tax Library sections and our blog. To receive these updates visit public.govdelivery.com/accounts/INDOR/subscribers/new and follow the registration steps.

Tax Talk Blog

Subscribe to Tax Talk at dor.in.gov/news-media-and-publications/tax-talk.

Tax Bulletin


Tax Library

Access information bulletins relating to income and sales tax, Departmental Notices and more by visiting DOR’s Tax Library at dor.in.gov/legal-resources/tax-library.
Feedback

We’d love to hear your feedback! Please use our online form, available at dor.in.gov/contact-us/contact-us-by-phone-email-or-mail/customer-feedback, to share your experience with DOR.

Additional Resources

Indiana Small Business Organizations
- Indiana Small Business Development Center isbdc.org
- SCORE score.org

Federal Resources
- IRS Small Business and Self-Employed Tax Center irs.gov/businesses/small-businesses-self-employed
- IRS Small Businesses Virtual Workshop tax.gov/Business/virtualworkshop

Indiana Small Business Guides
- SOS Guide to Starting A Business in Indiana in.gov/sos/business/2428.htm

Requirements and Information for Employers
- Apply for a FEIN and comply with all federal regulations
- Register for state unemployment insurance and report wages
- Report newly hired and re-hired employees
  - New Hire Registry in-newhire.com
- Learn about employee wage, hour and occupational safety requirements
  - Indiana Department of Labor in.gov/dol
DOR’s Pyramid of Excellence includes the agency’s mission, vision and purpose, all of which were reengineered to capture the culture and brand DOR is building upon. This symbol is the compass for our organization.