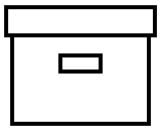
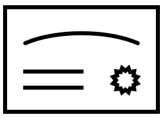
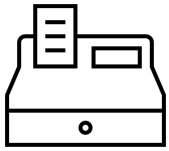
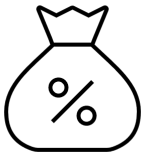
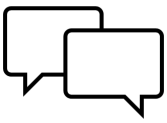
Sales Tax Vendor Checklist

This checklist will help you keep track of all your sales tax requirements. If you have any questions, get in touch with an NYC Free Tax Prep Provider at nyc.gov/taxprep for help.

	Step 1: Gather your documents and business information, including: • Reason for applying as a sales tax vendor • Contact information for your business, including EIN, Tax ID number, or SSN • Entity Type (sole proprietor, partnership, LLC, etc.) • Date you will begin a business for sales tax purposes • Bank account information • Relevant license number(s) • Tax preparer information
	Step 2: Open a separate bank account for sales tax. • This account should be separate even from your business's bank account. This prevents you from confusing the money you collect for sales tax and your business's income. See the New York State Tax Website for more info on establishing a separate bank account for sales tax.
	**Step 3: Set up a recordkeeping system.** • It is good to have a recordkeeping system in place *before* you launch your business. This will keep you prepared to fulfill your recordkeeping requirements and file your sales tax return. • Most retail or customer-facing businesses will use a point-of-sale (POS) system. Talk to an NYC Free Tax Prep Provider at nyc.gov/taxprep for advice on choosing the right system for your business.
	Step 4: Register as a sales tax vendor. • You can register by making an account at New York Business Express or make an appointment with an NYC Free Tax Prep Provider at nyc.gov/taxprep to walk through the process. Once you've completed the application using the information you've gathered ahead of time, you'll receive confirmation of your registration for a Certificate of Authority via email.

	**Step 5: Receive and display a Certificate of Authority.** • Once you receive your Certificate of Authority in the mail, make sure you display it somewhere visible to your customers. This document gives a person or a business the right to collect sales tax on behalf of the government.
	**Step 6: Open for business and collect sales tax.** • Each time you make a sale, make sure your system records the total amount, total sales tax, and date of sale. Make sure you hold on to your sales slips, invoices, receipts, contracts, statements, guest checks, ticket stubs, cash register tape, or any other original sales documents.
	**Step 7: File your sales tax return.** • Filing a return means sending the sales tax you've collected to the government along with any relevant tax forms. • All businesses file their sales tax return electronically using the New York State Tax Web File system. New businesses are automatically annual filers for their first year. Once established, most businesses will file their returns quarterly. • See this page on the New York State Tax Website for more info on how to file a sales tax return.
	**Step 8: Answer and comply with requests for information.** • If you keep accurate records, collect sales tax properly, and file your returns on time, you will most likely never have anything to worry about. • If New York State Tax authorities do reach out to you for information, it is your legal responsibility to respond.

Reminder: Help is available!

- Schedule an appointment with an NYC Free Tax Prep Provider at nyc.gov/taxprep for help.
- Reach out to an NYC Small Business Services (SBS) center for support on starting a business.
- Call the New York State Sales Tax Information Center at 518-485-2889.