



Guideline

Voluntary Disclosure Program

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Tax Commissioner

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The North Dakota Voluntary Disclosure Program allows a company that has been conducting business activities in North Dakota or has been collecting but not remitting North Dakota sales tax to voluntarily come forward and resolve potential tax liabilities. The North Dakota Voluntary Disclosure Program allows such companies to anonymously seek a resolution with the Tax Commissioner for income, withholding and sales and use taxes.

Eligible Participants Include:

A company that has not filed a tax return with North Dakota for the tax type that is the subject of the Voluntary Disclosure Program.

A company that has not been contacted previously by the North Dakota Office of State Tax Commissioner or the Multistate Tax Commission regarding its filing status.

Application Process

A company wishing to enter into or wanting to know more about North Dakota's Voluntary Disclosure Program may contact the Department anonymously. To enter into a voluntary disclosure agreement, the Company must provide a written disclosure statement containing the following information:

- A brief description of the Company's activities.
- The number of years the Company has been doing business in North Dakota.
- The type of tax or taxes involved.
- The Company's explanation for the failure to register or file and pay the taxes for past activities.
- A statement of whether North Dakota sales or use taxes were collected.
- A statement that the Company has not been previously contacted by the Office of State Tax Commissioner or by the Multistate Tax Commission (North Dakota is a compact member).
- The Company's proposed voluntary disclosure agreement terms.
- An estimate of the tax liability for the period covered by the proposed disclosure agreement.

The Company may preserve confidentiality by not revealing the name of the company or any information that could readily identify the company during the Voluntary Disclosure process until the Agreement is finalized.

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Voluntary Disclosure Proposal

The Voluntary Disclosure request is reviewed by the Tax Commissioner's disclosure representatives, and each request is considered separately on its own facts. If approved, the Company will receive two copies of the proposed Voluntary Disclosure Agreement. One copy of the agreement must be completed and signed by the Company's authorized representative and returned to the Tax Commissioner within 60 days of the original mailing date.

If the Company did have past activity in North Dakota, or if sales or use taxes were collected but not remitted, the length of the look back period will depend upon the disclosure statement provided in the Company's written request. In certain circumstances where the company's presence is limited, the Tax Commissioner may enter into an agreement for prospective compliance. In instances where tax has been collected by the Company from customers and not remitted, the Tax Commissioner will require all of the tax collected to be remitted but may consider waiving all penalty, provided the Company pays all tax and applicable interest.

Disclosure Contacts

All telephone inquires or correspondence requests regarding the Voluntary Disclosure Program should be directed to:

Corporate Income Tax:	Gary Feist Corporate Tax Auditor Office of State Tax Commissioner 600 E. Boulevard Ave., Dept. 127 Bismarck, ND 58505-0599 701.328.1881 gffeist@nd.gov
Sales/Use Tax:	Patrick Baros Sales Tax Disclosure Officer Office of State Tax Commissioner 600 E. Boulevard Ave., Dept. 127 Bismarck, ND 58505-0599 701.328.3007 pbaros@nd.gov
Withholding Tax:	Lorie Bowker Supervisor, Individual/Withholding Tax Office of State Tax Commissioner 600 E. Boulevard Ave., Dept. 127 Bismarck, ND 58505-0599 701.328.1296 lbowker@nd.gov