



HOW TO COMPLETE FORM ST (SALES, USE, AND GROSS RECEIPTS TAX)

This document is a quick reference guide on how to complete a Sales, Use, and Gross Receipts Tax Return (Form ST) while avoiding many of the errors and mistakes that might result in penalty and interest being charged. For more detailed instructions, please refer to the instruction pages attached to your Form ST.

Electronic Filing

Filing your return electronically will eliminate many of the errors that occur with paper filing. Our online system performs most calculations including compensation discount. Visit our website at www.nd.gov/tax/tap to sign up for access.

STATE TAX CALCULATIONS

The state sales tax (top portion of Form ST) uses actual sales and purchases as the starting point. Refer to the following example on how to properly complete the state tax portion.

	Column A	Column B 5% Sales & Purchases
1. Total Sales (do not include tax) -----	.00	17,000.00
2. Total Nontaxable Sales -----	.00	2,000.00
3. Items Subject to Use Tax -----	.00	0.00
4. Taxable Balance (Add lines 1 and 3, and subtract line 2) -----	.00	15,000.00
5. State Tax (Multiply line 4 by the ND tax rate) -----		750.00
6. Total State Tax (Add column A and column B on line 5) -----		750.00
7. Compensation Discount - Registered Permit Holders only (Multiply line 6 by .015 (\$110.00 maximum) - see instructions) -----		11.25
8. Net State Tax Due (subtract line 7 from line 6) -----		738.75
9. Penalty (See Instructions) (a) <u>0.00</u> (b) <u>0.00</u> -----		0.00
10. Interest (See Instructions) -----		0.00
11. State Tax, Penalty, and Interest -----		738.75

Tips to avoid errors when completing the state sales tax portion:

- Only use “Column A” for sales that are subject to a special tax rate (Alcohol, New Farm Machinery and Irrigation Equipment, and New Mobile Homes).
- Read each line carefully and enter amounts that apply, even if the entry is \$0.00 or seems repetitive. This will ensure information is accurately entered into our system.
- Amounts on Lines 1 through 4 should be rounded to the nearest dollar. All other amounts should be in dollars and cents.
- The Compensation Discount on Line 7 applies to all permit holders if the return is filed and paid on time.

