

**Tennessee Department of Revenue  
Voluntary Disclosure Program  
Frequently Asked Questions for Streamlined Participants**

**What is the procedure to enter into a voluntary disclosure agreement?**

Normally a letter is sent on an anonymous basis from a third party. Once the letter is received, the department will draft an agreement and send it to the third party for approval. The signed agreement will be sent to the third party within 10 –15 days from receipt of the original letter.

**How do I enter into an agreement?**

To enter into the voluntary disclosure program a letter must be written to:  
Tennessee Department of Revenue, Discovery Unit, P. O. Box 190644, Nashville, TN 37219

Tennessee is a member of the Multistate Tax Commission's National Nexus Program. If you wish to enter into agreements with more than one state, or want to learn more, click here:  
<http://www.mtc.gov/Nexus.aspx?id=526>.

**What should be put in the letter?**

The letter should state what activities the company has in Tennessee. Also, the letter should state if the company is registered for any taxes (as they may be registered for sales and use but not franchise and excise). The letter should indicate that the company is a Streamlined participant and whether the company qualifies for amnesty for sales and use taxes uncollected or unpaid on retail sales. If the company is requesting a voluntary disclosure agreement to remit sales and use taxes on tangible personal property used or consumed in Tennessee, this fact should also be included in the letter. If the taxpayer is seeking an agreement for sales tax on retail sales, a statement should be made if tax was previously collected. If the taxpayer requests an agreement for franchise and excise taxes, they must state the fiscal year end for the company and must include a statement that the department has not contacted the company.

**What is the look-back period?**

For **sales and use taxes**, we are currently allowing businesses to provide us with a spreadsheet for the period of three years from December 31 of last year plus the current year.

For all other taxes including **franchise and excise taxes**, it will depend on the fiscal year end. For most filers, the look-back period is based on when the return was due. Any return due from three years of January 1<sup>st</sup> of the current year will be required to be filed.

**Do you waive penalty and interest?**

In most instances, we will agree to abate the penalty associated with the non-filing. However, interest cannot be waived.

**Do I have to file returns?**

We do require returns to be completed for franchise and excise taxes and Hall income tax. However, we prefer a spreadsheet for business tax and sales and use taxes broken down monthly, if possible.

**Who do I contact for further questions?**

Discovery Unit at (615) 741-8319