

## Customer Refund Procedure

### Refund Requests Made by the Customer

Tennessee law requires a customer who has erroneously paid sales or use tax to a dealer to request a refund directly from the dealer. Effective October 1, 2021, Public Chapter 480 (2021) establishes a process for filing a claim for refund directly with the department in limited instances when the dealer is unresponsive or declines to credit or refund the tax collected in error.

A customer's claim for refund filed with the department must meet the following requirements:

- The claim for refund must exceed \$2,500 per dealer;
- The dealer must have collected the tax from the customer and remitted it to the department; and
- The customer must have requested a refund from the dealer on at least two separate occasions and the dealer failed or declined to issue the refund.

### Contacting the Dealer

The statute requires the customer request a refund from the dealer on at least two separate occasions prior to submitting a claim for refund with the department. The two requests must be documentable and be made in written or electronic form (such as email).

The customer's second request for refund from the dealer may be made upon receiving a written refusal from the dealer or 30 days after the initial refund request is submitted, whichever occurs first. The 30-day period between requests is necessary to allow

the dealer time to review the request and initiate or decline a refund.

### Dealer Attestation Form

Prior to filing a claim for refund directly with the department, the customer must also request that the dealer complete a [dealer attestation form](#). The customer's request for a completed dealer attestation form may be submitted with the second request for refund, at the earliest, or may be submitted at a later date.

The dealer must attest to the following items under penalty of perjury:

- The taxes were remitted to the Department by the dealer, including the amount and the date remitted;
- The dealer has not claimed and will not claim a refund of such taxes;
- The dealer has not taken and will not take a credit for such taxes;
- The dealer's sales and use tax account number; and
- The local jurisdiction or jurisdictions for which any local sales tax included in the refund claim was collected and remitted (amount remitted to each jurisdiction must be included).

The customer must allow the dealer at least 30 days to complete or decline to complete the dealer attestation form. Upon receiving a completed dealer attestation form or upon completion of the 30-day period, whichever occurs first, the customer may then file a claim for refund directly with the department.

If the customer is unable to obtain the dealer attestation form, sufficient information must be made available to the Department to verify each item listed above. Additionally, proof of the customer's requests for refund and attestation from the dealer must be included with the claim for refund.

The Department may contact the dealer directly when verifying the information necessary to process the customer's refund.

### **For More Information on Filing a Claim for Refund**

Visit [www.tn.gov/revenue](http://www.tn.gov/revenue). Click on Revenue Help to search for answers or to submit a question. Or [click here](#).

### **References**

Tenn. Code Ann. § 67-1-1802, Pub. Ch. 480 (2021).