



Completing the Sales Tax Return

Tax Webinar: October 2023

Information is current as of the date presented and may not reflect legislative and other subsequent changes. For the most up-to-date information, please refer to our [published tax manuals](#) and [Revenue Help articles](#). Additionally, you can find legislative summaries by year/tax type [here](#).

Thanks for joining us!

We will begin at 9:00 am (CST)

➤ **Please check your audio settings. See below for resources in case you experience audio or other technical difficulties:**

- Contact WebEx Support <https://help.webex.com/contact/>
- Link to Technical Service Resource Guide <https://www.cisco.com/c/en/us/support/web/tac/technical-services-resource-guide.html>
- Try leaving and then re-entering the event

View a recording of today's presentation!

tn.gov/revenue > Taxpayer Education > Tax Webinars

<https://www.tn.gov/revenue/taxpayer-education/tax-webinars.html>


The webinar recording will be posted in the "Webinar Video Library" the day after the event.

➤ **Please submit specific account-related questions or any questions that do not get addressed in this webinar to us directly!**

- www.tn.gov/Revenue
- Revenue.support@tn.gov
- 615.253.0600 (M-F 8-4:30 CST)



Overview

- 
- **Sales Tax Law**
 - **Return Details**
 - **Resources**
 - **FAQ's/Chat**

Sales Tax Basics

The tax applies to dealers engaged in the business of making sales of taxable products/services in TN.

Retailers are responsible for the tax and are to collect the tax from consumers.



TAXABLE

UNLESS
SPECIFICALLY
EXEMPT BY LAW

Sales are exempt if:

- **purchase** is made by exempt entity (i.e. reseller, non-profit)
- **product** is exempt (i.e. certain healthcare products)
- **usage** is exempt (i.e. manufacturing, agricultural)



NOT TAXABLE

UNLESS
SPECIFICALLY
LISTED BY LAW
or ARE PART OF
THE SALES
PRICE OF TPP

Taxable services include:

repair/installation/cleaning of TPP (incl. computer software), lodging services and rooms, short-term space rental for making sales, parking/storage of vehicles, etc.

Generally,

$$\begin{array}{l} \text{State Tax Rate} \\ + \text{Local Tax Rate} \\ \hline = \$ \text{TOTAL SALES TAX} \end{array}$$



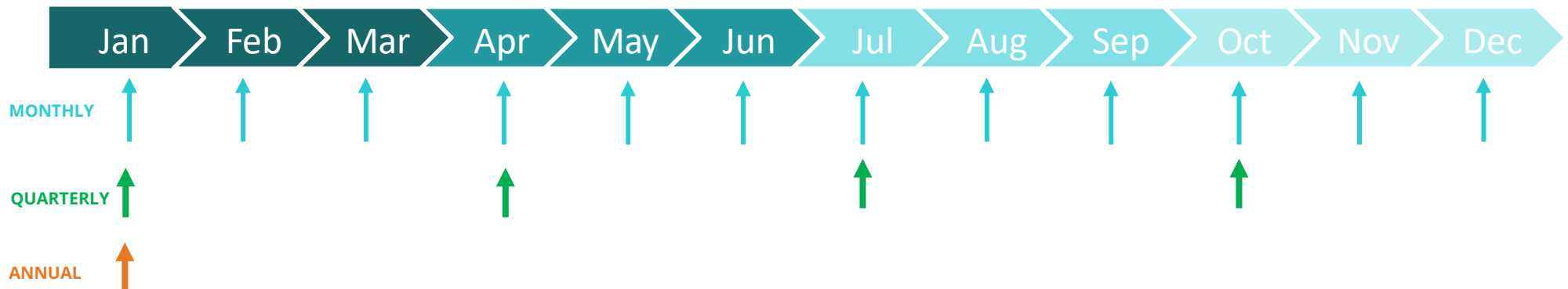
Special rates...

Food
Digital products
Single articles
And more...

Webinar: Services Subject to Sales Tax

Filing

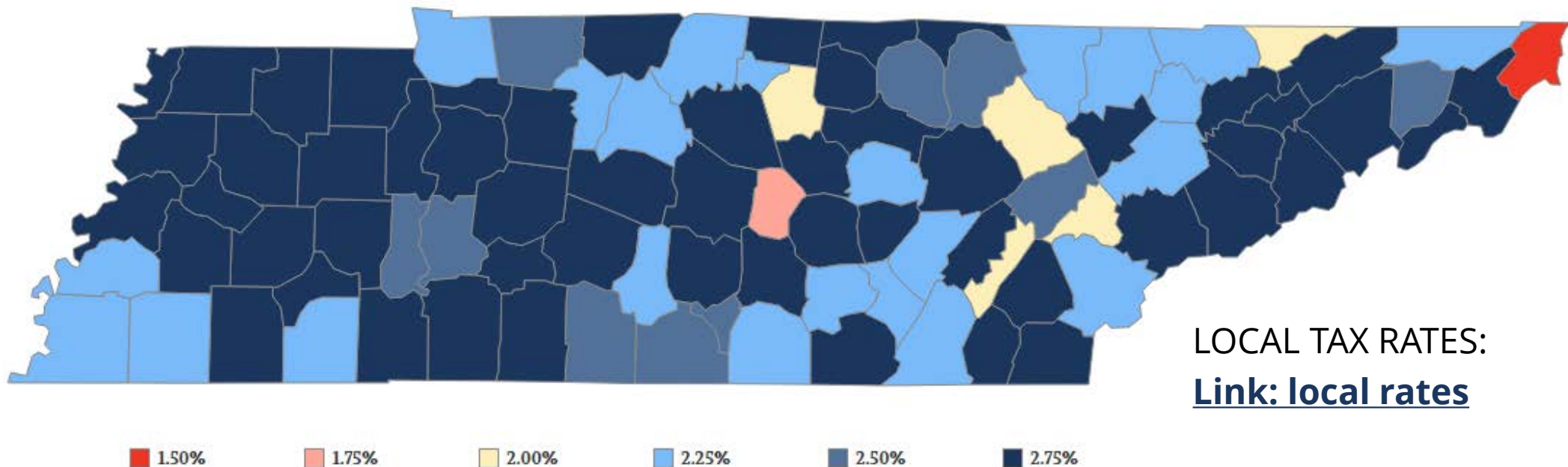
- Due on the **20th day of the month following the period**
 - Monthly - 20th day of the month following the end of the reporting period
 - Quarterly - 20th day of the month following the end of the quarter (January 20, April 20, July 20, October 20)
 - Annually - January 20
- Once an account is opened, filing must begin even if no sales (file \$0 if needed)
- There is no option for filing extension



Tax Rates

- **Tax Rates:**

- State Tax – TPP and taxable services: 7%. Food/food ingredients: 4%.
- Local Tax Rates - Not higher than 2.75%.
- Special Rates - [Link: Single Article & Special Rates](#), [Webinar: Single Article Tax in TN](#)



Resources for out-of-state sellers with no physical presence in TN:
[Webinar: Out-of-Sate Businesses and Nexus in TN](#)
[Webinar: Reporting Out-of-State Sales by Delivery Destination](#)

The Return

- Electronic filing required – Ensure you have access to your account in TNTAP!
- Amounts rounded to nearest dollar
- [LINK: Revenue Help Article Video – Filing the Sales Tax Return](#)


Sales and Use Tax Return

File Upload Locations Summary

*Each field below displays the sum of its respective field for all locations loaded in this return.

1. Gross Sales	0.00
2. Cost of Personal Property Purchased on a Resale Certificate	0.00
3. Cost of Out-of-State Purchases and Property Imported into Tennessee	0.00
4. Tangible Personal Property	0.00
5. Total Sales	0.00
6. Exempt Transactions	0.00
7. State Net Taxable Total	0.00
8. State Sales Tax	0.00
9. State Food Tax	0.00
10. Local Sales Tax	0.00
11. Tax Collected in Excess of State and Local Levies	0.00
12. State Tax on Transactions Subject to Single Article and Reduced Rates	0.00
13. Local Tax on Transactions Subject to the Special Rate Tax	0.00
14. Central Business Improvement District Fee	0.00
15. Prepaid Wireless 911 Surcharge	0.00
16. Tax on Hemp-Derived Cannabinoids	0.00
17. Total Tax before Penalty and Interest	0.00
18. Vendor's Compensation	0.00
19. Credit Memo Balance	0.00
20. Penalty	0.00
21. Interest	0.00
22. Total Due	0.00

Cancel Save Draft < Previous Next >



Accessing the Return

The screenshot shows the TNTAP portal interface for 'KATIE'S STORE'. The user is logged in as 'katie' and can manage their profile. The 'Action Center' has one notification. The 'Sales and Use Tax' section shows the account details for 'KATIE'S STORE' (500 DEADERICK ST, NASHVILLE TN 37242-0001). The account number is 1002383025-SLC, and the balance is \$0.00. The 'Returns' section shows a table with one entry for the period 31-Oct-2023, labeled 'Sales and Use Return', with a status of 'Not Filed'. A red arrow points from the 'View/File Returns' link in the account menu to the 'File Now' button in the returns table.

TNTAP

Welcome, katie
[Manage My Profile](#)

KATIE'S STORE
-*7048
500 DEADERICK ST
NASHVILLE TN 37242-0001

[Summary](#) [Action Center ¹](#) [Settings](#) [1099-K Files](#) [More...](#)

Filter

Sales and Use Tax
KATIE'S STORE
500 DEADERICK ST
NASHVILLE TN 37242-0001

Account
1002383025-SLC
Balance

> [Make a Payment](#)
> [View/File Returns](#)
> [Additional Actions](#)

Returns [Make a Payment](#)
Sales and Use Tax
1002383025-SLC
KATIE'S STORE
Balance
\$0.00

[Returns](#) [Periods](#)

Returns

Period	Return	Status	
31-Oct-2023	Sales and Use Return	Not Filed	File Now

Vendor Software

- [LINK: Electronic Filing Using Vendor Software](#)
- [LINK: Approved Software Vendors – Sales Tax](#)

< Returns

Sales and Use Tax Return

31-Oct-2023
Sales and Use Tax
1002383025-SLC
KATIE'S STORE

Sales and Use Tax Return

File Upload

Will you be submitting a file provided by your software vendor? *

Yes No

Cancel Save Draft

< Previous Next >

Sales and Use Tax Return

File Upload Attach a File

Attachments

Add

Type	Name	Description	Size
There are no attachments.			

Cancel Save Draft

< Previous Next >

Location(s)

Sales and Use Tax Return

File Upload **Locations**

Select a Location ID below to review any error(s) before proceeding. Your total tax due is \$0.00.

Show Errors Filter

	Location ID	Doing Business As	Address	Jurisdiction	Total Tax
ⓘ	1001692318	KATIE'S STORE	500 DEADERICK ST NASHVILLE TN 37242-0001	Nashville	0.00
ⓘ	1001692319	KATIE'S STORE	508 DEADERICK ST NASHVILLE TN 37243-0200	Nashville	0.00
2 Rows					0.00

Show Errors

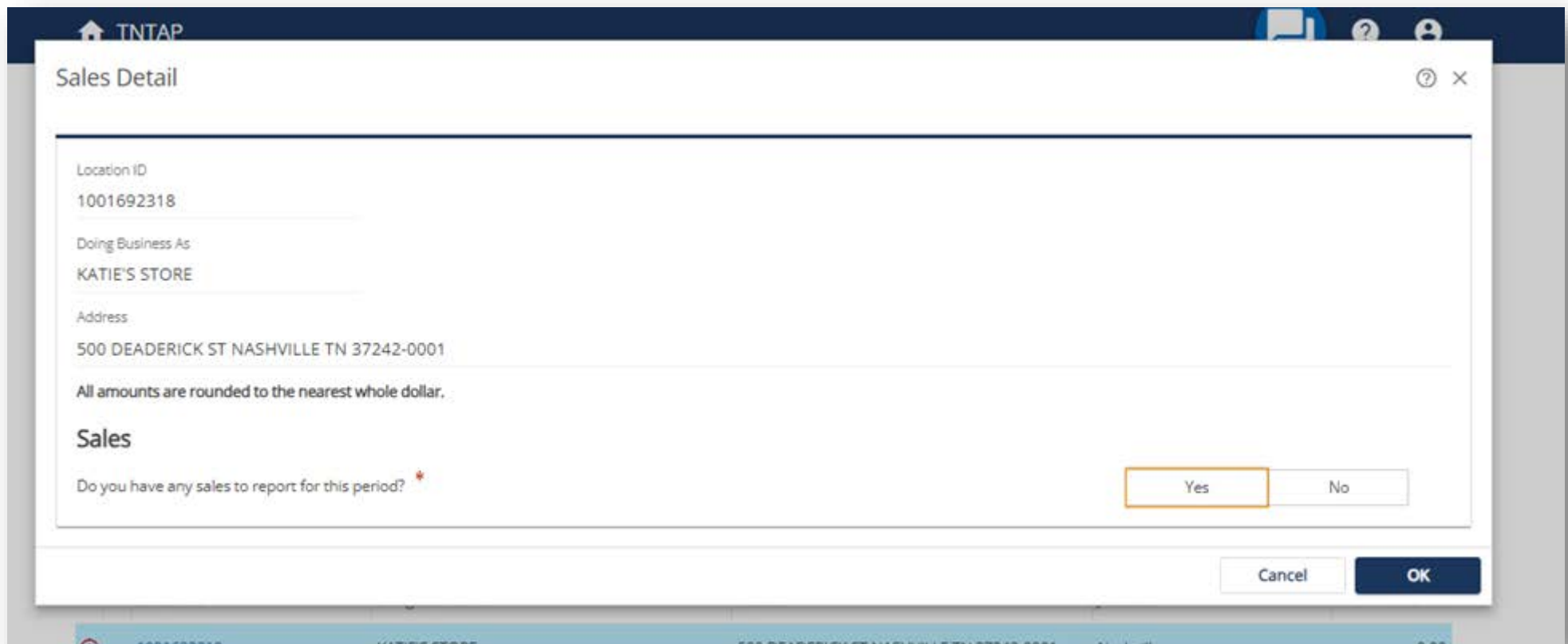
Cancel Save Draft < Previous Next >



The red info symbol means information is currently incomplete and must be completed before submitting (maybe you missed a required (*) yes/no question!)

Do You Have Sales?

- Choosing “Yes”, “OK” – opens the return for that location
- Choosing “No”, “OK” – continue through to SUBMIT the \$0 return



The screenshot shows a web application window titled "Sales Detail" with a dark blue header bar containing the "TNTAP" logo and navigation icons. The form contains the following fields:

- Location ID:** 1001692318
- Doing Business As:** KATIE'S STORE
- Address:** 500 DEADERICK ST NASHVILLE TN 37242-0001

Below the address field, a note states: "All amounts are rounded to the nearest whole dollar."

The **Sales** section contains the question: "Do you have any sales to report for this period?" with a red asterisk indicating it is a required field. To the right of the question are two buttons: "Yes" (highlighted with an orange border) and "No".

At the bottom right of the form are two buttons: "Cancel" and "OK" (in a dark blue box).

Scrolling, etc.

- Note that you can scroll down the return to see all lines.
- Clicking OK at the bottom of the return screen takes you back to the locations screen.
- A red asterisk * means the field is required.

Schedule A - Exempt Transactions

Do you have any exempt transactions to report? *

The screenshot shows a mobile application interface for 'Schedule A - Exempt Transactions'. The form is titled 'Schedule A - Exempt Transactions' and asks 'Do you have any exempt transactions to report? *'. The form contains a table with two columns: 'Yes' and 'No'. Below the table are several rows, each with a text input field, a numeric field (0.00), and an information icon (i). A red arrow points to the first information icon. At the bottom of the form are 'Cancel' and 'OK' buttons.

Sales Tax Return – LINE 1

Line 1: ENTER GROSS SALES

- On line 1 you will enter the amount of all sales. **NOTE: You will exclude the amount of sales tax collected or accrued.**
- Include:
 - cash sales
 - credit sales
 - conditional sales
 - sales exempt from tax
 - leases and rentals of tangible personal property
 - charges for fabricating personal property for consumers
 - sales of specified digital products
 - taxable services

Other Lines on the Main Return

Sales Detail

Location ID

1001692318

Doing Business As

KATIE'S STORE

Address

500 DEADERICK ST NASHVILLE TN 37242-0001

All amounts are rounded to the nearest whole dollar.

Sales

Do you have any sales to report for this period?

Yes

No

1. Gross Sales

0.00

i

2. Cost of Personal Property

0.00

i

3. Cost of Out-Of-State Purchases and Property

0.00

i

4. Tangible Personal Property

0.00

i

5. Total Sales

0.00

i

Cancel

OK

Cancel

Save Draft

Previous

Next

Detailed info about each line is available by clicking the blue info button beside each line!



Schedule A: Exempt Transactions

The thumbnail shows a portion of a tax form. The 'Sales Detail' section includes lines for Cost of Personal Property, Cost of Out-Of-State Purchases and Property, Tangible Personal Property, and Total Sales. Below this is 'Schedule A - Exempt Transactions', which asks if there are any exempt transactions to report and lists 11 categories: 1. Net Taxable Food Sales, 2. Sales to Vendors for Resale or for Further Processing, 3. Sales of Items Paid for with SNAP Benefits, 4. Government and Qualified Institution Sales, 5. Returned Merchandise, 6. Exempt Machine or Agricultural Sales, 7. Sales in Interstate Commerce, 8. Repossessions, 9. Other Deductions, 10. Temporary Exemptions, and 11. Total Exemptions. Below Schedule A is 'Schedule B - Computation of Local Sales' with line 1 for State Net Taxable Total.

1. Net Taxable Food Sales
2. Sales to Vendors for Resale or for Further Processing
3. Sales of Items Paid for with SNAP Benefits
4. Government and Qualified Institution Sales
5. Returned Merchandise
6. Exempt Machine or Agricultural Sales
7. Sales in Interstate Commerce
8. Repossessions
9. Other Deductions
10. Temporary Exemptions
11. Total Exemptions

- **LINK: Sales Tax Manual Chapter 18: Exemptions, pp. 234—286**
- **Don't forget to maintain copies of the valid exemption certificates you receive!**

Temporary Exemptions (Schedule G)

Sales Detail

Report Your Schedule G Temporary Exemptions

[Click Here](#)

Schedule G

Location ID: 1001692318 City or County Location: Nashville

Any exemption or deduction not listed in Temporary Exemption Type must be taken elsewhere on Schedule A

Temporary Exemption Type	Exempt Sales Amount	Exempt Sales Amount in Excess of Local Single Article Tax (\$1,600)

Cancel OK

10. Temporary Exemptions 0.00

11. Total Exemptions 0.00

Total tax due is \$0.00.

- **Sales Tax Holiday (Last Friday in July to the following Sunday)**
- **Food Sales Tax Holiday (August 1, 2023 to October 31, 2023)**
- **Broadband Infrastructure Exemption (July 1, 2022 to June 30, 2025)**

Schedule B – Local Sales Tax

Use this schedule if local taxable sales do not equal state taxable sales. This will occur if transactions include energy fuel sales, “single article” sales subject to a maximum local tax, food or food ingredients subject to the state tax rate of 4%, or other items requiring an adjustment of tax.

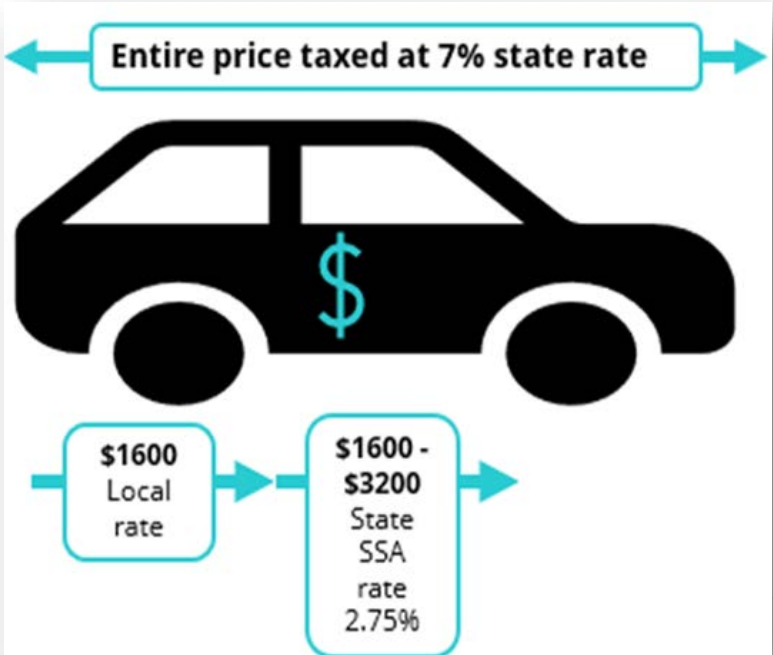
Sales Detail

Schedule B - Computation of Local Sales and Use Tax

1.	State Net Taxable Total
2.	Adjustments
3.	Total With Adjustments
4.	Excess Amount of Single Article Tax Base - \$1,600.00
5.	Energy Fuel Sales
6.	Other Deductions
7.	Local Net Taxable Total
8.	Local Sales and Use Tax - 2.25%

1. State Net Taxable Total ← Auto populated from line 1
2. Adjustments ← Auto populated from Sched. A
3. Total With Adjustments
4. Excess Amount of Single Article Tax Base - \$1,600.00
5. Energy Fuel Sales
6. Other Deductions
7. Local Net Taxable Total
8. Local Sales and Use Tax - 2.25% ← Rate is based on specific location

Single Article



$$25,000 \times 7\%$$

$$1,600 \times 2.25\%$$

$$1,600 \times 2.75\%$$

1.	State Net Taxable Total	25,000.00	i
2.	Adjustments	0.00	i
3.	Total With Adjustments	25,000.00	i
4.	Excess Amount of Single Article Tax Base - \$1,600.00	23,400.00	i
5.	Energy Fuel Sales	0.00	i
6.	Other Deductions	0.00	i
7.	Local Net Taxable Total	1,600.00	i
8.	Local Sales and Use Tax - 2.25%	36.00	i

For this example, subtract 1,600 from 25,000 = enter 23,400

Schedule C - State Single Article Tax and Special Rate on Energy, Water, & Specified Digital Products

Do you have any single article sales, aviation fuel sales, or special rates on energy, water, vending, or specified digital products to report?

	Yes	No
1.		
Taxable Single Article Sales from \$1,600 to \$3,200		1,600.00
2.		
State Single Article Sales Tax - 2.75%		44.00



Schedule C

Sales Detail

×

Schedule C - State Single Article Tax and Special Rate on Energy, Water, & Specified Digital Products

Do you have any single article sales, aviation fuel sales, or special rates on energy, water, vending, or specified digital products to report?

Yes

No

1. Taxable Single Article Sales from \$1,000 to \$3,200

0.00

2. State Single Article Sales Tax - 2.75%

0.00

3. Water Sales

0.00

4. Industrial Water Tax - 1.0%

0.00

5. Energy Fuels

0.00

6. State Energy Fuels Tax - 1.5%

0.00

7. Aviation Fuel Tax - 6.25%

0.00

Taxable Sales

0.00

Gallons

0

Out-of-State Purchases

0.00

Gallons

0

8. Water Carrier Energy Fuel Tax - 7.0%

0.00

Taxable Sales

0.00

Gallons

0

Out-of-State Purchases

0.00

Gallons

0

9. Single Article & Reduced Rates Tax

0.00

10. Local Industrial Water Tax - 0.5%

0.00

11. Specified Digital Products

0.00

12. Specified Digital Product Tax - 2.5%

0.00

13. Merchandise Sold Through Vending Machines

0.00

14. Tax on Merchandise Sold Through Vending Machines - 2.25%

0.00

15. Total Local Special Rates Tax

0.00

Schedule D - Central Business Impositionment District Tax

Cancel

OK

TN

19

Schedules D, E & F

Schedule	Purpose
D	To be completed only by certain businesses in downtown Nashville that are subject to the CBID fee.
E	Beginning 10/1/19, this schedule is to be completed for all sales that originate from a business located outside of Tennessee and sold to a destination inside Tennessee. Sales must be reported using the tax rate applicable to the delivery destination.
F	Beginning 1/1/21, this schedule is to be completed by all short-term rental unit marketplaces for all short-term rentals of residential units rented through the marketplace.

Schedule H – Hemp-Derived Cannabinoids

****NEW****

[LINK: Sales Tax Manual pp 78-79](#)

Schedule H - Tax on Hemp-Derived Cannabinoids

Do you have any hemp-derived cannabinoid sales to report?

Yes

No

Report your Tax on Hemp-Derived Cannabinoid sales

[Click Here](#)

Schedule H Total Tax

0.00

Schedule H - Tax on Hemp-Derived Cannabinoids

Schedule H

?

×

Product Type	Other (Please Specify)	Gross Sales	Total Tax
<div><div></div><div>Delta-8 Tetrahydrocannabinol</div><div>2. Delta-10 Tetrahydrocannabinol</div><div>3. Hexahydrocannabinol</div><div>4. Tetrahydrocannabinolic Acid (THCa)</div><div>5. Tetrahydrocannabiphorol (THCp)</div><div>Tetrahydrocannabivarin (THCv)</div><div>Other</div></div>			
			0.00
			248.00
			0.00
			147.00

Cancel



OK

Cancel

OK

Submitting the Return

Filter

	Location ID	Doing Business As	Address	Jurisdiction	Total Tax
	1001692318	KATIE'S STORE	500 DEADERICK ST NASHVILLE TN 37242-0001	Nashville	1,967.00
	1001692319	KATIE'S STORE	508 DEADERICK ST NASHVILLE TN 37243-0200	Nashville	185.00
2 Rows					2,152.00


Cancel Save Draft

< Previous **Next** >

**Click next to proceed through
"Summary", "Attachments" (add if
desired), and don't forget to CLICK
SUBMIT!**

Sales and Use Tax Return

File Upload ✓ Locations ✓ Summary ✓ Attachments ✓ **Payment Details**

 **Payment**

Amount Due 2,152.00

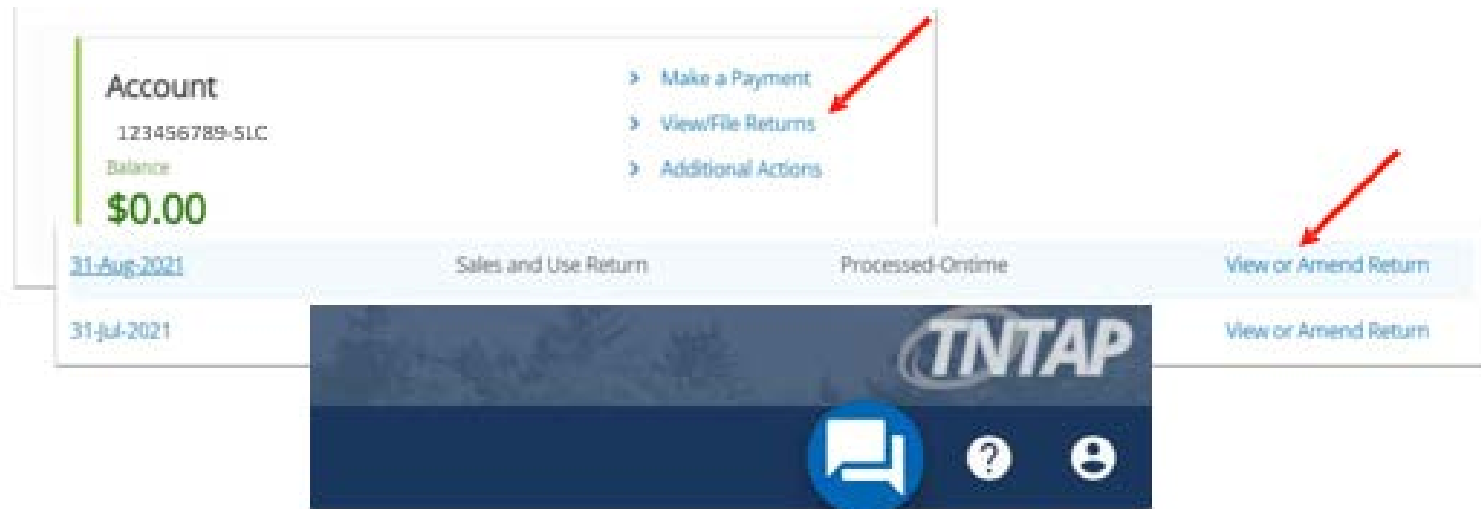
Would you like to pay by ACH Debit? *

Credit card payments are available after submission (with a service fee).

Cancel Save Draft

< Previous **Submit**

View/Print/Amend



- You can make any necessary changes to the return.
- If amendment is made after the due date of the return and the amendment results in additional tax owed, penalty and interest will calculate based on the difference.

- › View Submission
- › View Payment
- › Print
- › Amend

9.4

Sales Tax Resources

Sales and Use Tax

Due Dates and Tax Rates

Registration

Local Sales Tax

Single Article and Special Tax Rates

Exemptions, Certificates and Credits

Marketplace Sellers, Marketplace Facilitators & Out-of-State Dealers

Consumer Use Tax

Television and Telecommunications

Sales Tax Holiday

Sales and Use Tax

Overview

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TN Department of Revenue

Search

Tennessee Department of Revenue > Taxes > Sales & Use Tax

Sales & Use Tax

- ★ SUT-44 - Manufactured or Modular Homes
- SUT-1 - Sales and Use Tax - Tennessee Code Reference
- SUT-2 - Tennessee's Compliance with Streamlined Sales and Use Agreement (U
- SUT-3 - Use Tax - Overview
- SUT-4 - Nexus - Overview
- SUT-5 - Activities that Give Out-of-State Dealers Nexus in Tennessee
- SUT-6 - Single Article Tax - Overview and Application
- SUT-7 - Amusement Tax - Overview
- SUT-8 - Sales and Use Tax Online Filing
- SUT-9 - Sales and Use Tax Filing - Filing Due Dates
- SUT-10 - Sales and Use Tax Account - Registering for an Account
- SUT-11 - Sales and Use Tax Account - Closing an Account
- SUT-12 - Notifying the Department Regarding a Change in the Nature of Your Business
- SUT-13 - Sales and Use Tax Rates - Overview

TN Department of Revenue

Sales and Use Tax Manual

June 2023

Webinar Video Title
Tennessee Taxes and E-Commerce Sales
Agricultural Sales Tax Exemption
Certified Green Energy Production Facility
Completing the Sales Tax Return
Government Exemption
Industrial Machinery Exemption
Pollution Control Exemption
Qualified Organizations Exemption
Reporting Out-of-State Sales by Delivery Destination
Resale Certificates
Research & Development Machinery Exemption
Sales and Use Tax Exemptions Overview
Sales Tax Issues for Contractors
Sales Tax for Data Centers, Headquarters and Call Centers
Services Subject to Sales Tax in Tennessee

[LINK TO TAX WEBPAGE](#)
[LINK TO TAX MANUAL](#)
[LINK TO REVENUE HELP ARTICLES](#)
[LINK TO WEBINAR VIDEO LIBRARY](#)



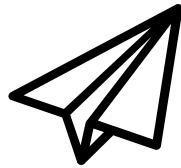
CONTACT US!



**Please submit
specific
account-
related
questions, or
any questions
directly to us!**



www.tn.gov/Revenue



Revenue.Support@tn.gov



615.253.0600 (Tax Call Center)



500 Deaderick St.
Nashville, TN 37242

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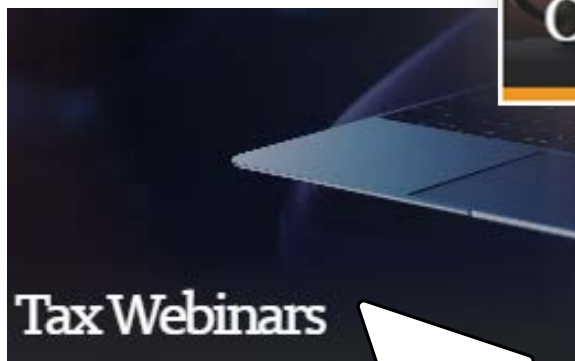
@TNRevenue



@TNDeptofRevenue

UPCOMING!

- **Next Webinar: 11/28 – Software as a Service**
- **New Business Workshop: 1/10/24**



Taxpayer Education & Outreach



**PLEASE TAKE A MOMENT
TO COMPLETE A BRIEF
SURVEY UPON EXITING!**

IMPORTANT: In order to receive CPE credit for attending, you must answer yes to question 4 of the post-event survey.