

PA Sales & Use Tax Compliance Alert

Most of us were unaware that we should be paying Use Tax, but the PA Dept. of Revenue is sending out notices and information for businesses to comply voluntarily. Under Barbers and Beauticians it states the following:

“Barbers and beauticians are required to pay tax on all purchases of equipment, materials, and supplies. If supplies are sold to a customer, the full six (6) percent tax shall be charged and collected. The barber or beautician may take a “TPPR” (tax paid, purchase resold) credit on the *credit* line of the Sales and Use Tax return for those purchases upon which tax was paid at the time of purchase and the item was resold. The “TPPR” block must be checked on the credit line of the tax return.”

Some examples of what we should be paying use tax on are: computers, furniture, tanning bulbs, supplies, etc. We will now have to pay tax on things we buy through a catalog or on-line from out of state, where no tax has been charged. According to the notice I received from the PA Dept. of Revenue we will have to go back three (3) years to do a self-audit and file a return. If we do it within thirty (30) days of the notice we receive, there will be no interest or penalty for back taxes.

For additional information go to www.revenue.state.pa.us and click on the Online Customer Service Center logo to access the Department’s knowledge base or to submit a question. If you cannot find an answer to your question and you must speak with someone, please call 717-214-7287 and press number 1 on your telephone keypad when prompted to do so.

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