



Filing a Final Sales Tax Return

Introduction

A business that is authorized to collect sales tax in New York State must report and remit any sales tax collected during each sales tax period in which it has a valid *Certificate of Authority*. A business is required to file annually, quarterly, or part-quarterly, depending on the amount of taxable sales or sales tax collected. Whenever a business closes or makes certain other changes, the business must file a final sales tax return.

This bulletin explains:

- when to file a final return,
- information on a final return,
- Web filing your final return, and
- filing a paper final return.

It is very important to continue to file your sales tax returns until you discontinue your business. This is true even if you owe no tax. If you discontinue business and do not file a final tax return, we may bill you for penalties for failing to file tax returns, which could lead to other collection activities. Following the rules set out in this bulletin will help you avoid this. For information about surrendering your *Certificate of Authority*, see Tax Bulletin [Amending or Surrendering a Certificate of Authority \(TB-ST-25\)](#).

When to file a final return

You must file a final return and surrender or destroy your *Certificate of Authority* if you:

- cease business operations;
- sell, transfer, or assign your business; or
- change the form of your business (for example, from a sole proprietorship to a corporation). You will need a new *Certificate of Authority* for the new business entity.

A final return must be filed within 20 days after you cease business operations or the sale, transfer, or change occurs. After we process your final return, we will inactivate your sales tax account. Your *Certificate of Authority* will no longer be valid. It is not necessary to return your *Certificate of Authority* to the Tax Department but your copy should be destroyed.

Information on a final return

Your final return must include the same information that you would include on a regular return. Report your sales, sales tax collected, and any use tax owed in the normal manner, and any special taxes or fees collected. Be sure to include any schedules that you would normally file with your return.

Web Filing the final return

If you have not already done so, you must register with [Online Services](#) to Web file your return. If the Web file return for the correct filing period is available at the time your final return is due, use the Web File return. When you Web file your final return, check the box indicating that it is a final return and enter your last day of doing business. Click on the box that most closely matches the reason you are filing a final return. If none of them are appropriate, click on the “other” box and enter a brief description of the reason you are filing a final return.

If you are changing your entity type (for example, you were a sole proprietor and you are now changing to a partnership or a corporation), you must file a final return as if you were selling or transferring your business. In addition, you must apply for a new *Certificate of Authority* at least 20 days before the change in business form takes place, and file [Form AU-196.10, Notification of Sale, Transfer, or Assignment in Bulk](#), with the Tax Department at least 10 days before the change takes place. **You may not transfer a sales tax *Certificate of Authority* from one business to another.**

If you intend to sell your business or its assets, you must give the purchaser a copy of [Form TP-153, Notice to Prospective Purchasers of a Business or Business Assets](#). You must also collect any sales tax due on the sale of any of your business assets and remit it with your final return. You must also provide information regarding the sale, including the date of sale, the sale price, and purchaser information.

If you are closing your New York business or if your out-of-state company will no longer conduct business in New York, follow [this checklist](#) to comply with the Tax Law.

If you normally Web file and the return for the final sales tax period of your business is not yet available, you must file a paper final return 20 days after you stop doing business and surrender or destroy your *Certificate of Authority*. You will need to make the changes to the paper final return described below under the heading [Changing a paper sales tax return for use as a final return](#).

Filing a paper final return

The Tax Department doesn't produce a separate paper form for use as a final return. If you need to file a final return before Web file is available for that period, you'll need to modify the return appropriate for your filing status (annual, quarterly, or monthly (part-quarterly)).

- **Annual filers:** use [Form ST-101](#), *New York State and Local Annual Sales and Use Tax Return*.
- **Quarterly filers:** use [Form ST-100](#), *New York State and Local Quarterly Sales and Use Tax Return*.
- **Part-quarterly (monthly) filers:**
 - for any monthly period in which the business was still operating, use [Form ST-809](#), *New York State and Local Sales and Use Tax Part-Quarterly Return*, and
 - use [Form ST-810](#), *New York State and Local Quarterly Sales and Use Tax Return for Part-Quarterly Filers*.

For example:

Annual filers. If you close your business on July 5:

- file a final [Form ST-101](#) covering the period from the previous March 1 (the beginning of the annual sales tax period), through July 5 (due July 25).

Quarterly filers. If you close your business on July 5:

- file a final [Form ST-100](#) covering the period June 1 (the beginning of the current sales tax quarter) through July 5 (due July 25).

Part-quarterly (monthly) filers. If you close your business on July 5, file all of the following:

- file [Form ST-809](#) for the period June 1 through June 30 (due July 20); and
- file [Form ST-809](#) for the period July 1 through July 5 (due July 25); and
- file [Form ST-810](#) for the period June 1 through July 5 (due July 25).

If you are filing a paper return and using a prior-period return, be sure that the sales tax rates and reporting codes are correct for the current period. See Tax Bulletin [Sales Tax Rate Publications \(TB-ST-820\)](#).

Changing a paper sales tax return for use as a final return

You may need to correct or alter two areas when filing a final return (see illustration below):

- tax period dates
- filing period indicator

The illustration shows a portion of the New York State and Local Quarterly Sales and Use Tax Return (Form ST-100). Key sections and callouts include:

- Header:** "New York State Department of Taxation and Finance", "New York State and Local Quarterly Sales and Use Tax Return", "Quarterly ST-100".
- Tax period:** A callout box labeled "Tax period" points to the "Tax period" field which contains "March 1, 2013 – May 31, 2013". Below it, the "Due" date is "Thursday, June 20, 2013".
- Filing period indicator:** A callout box labeled "Filing period indicator" points to a box containing "114".
- Final return check box:** A callout box labeled "Final return check box" points to a checkbox at the bottom of the form.
- Other sections:** "Sales tax identification number", "Legal name", "DBA", "Income reporting information", "Mandate to use Sales Tax Web File", "Has your address or business information changed?", "No tax due?", "ID number".

Using the example above, a quarterly filer that ceased business on July 5, 2013, would need to alter [Form ST-100](#) as follows:

1. Cross out the tax period dates (in this case, *March 1, 2013 - May 31, 2013*).
2. Completely black out the filing period indicator.
3. Write in the correct filing period indicator (see Tax Bulletin [Filing Period Indicators on Final Sales Tax Returns \(TB-ST-270\)](#) for assistance).
4. Write **FINAL RETURN** across the top of the return form.
5. Check the box that says *Final return*.

The top of your final return should look something like this:

 <p>New York State Department of Taxation and Finance</p> <p>New York State and Local Quarterly Sales and Use Tax Return</p>		<p>FINAL RETURN Quarterly ST-100</p>
<p>Sales tax identification number</p> <p>Legal name (Print ID number and legal name as it appears on the Certificate of Authority)</p> <p>DBA (doing business as) name</p> <p>Number and street</p> <p>City, state, ZIP code</p>		<p>Tax period March 1, 2013 - May 31, 2013 Due: Thursday, June 20, 2013 JUNE 1, 2013 - AUG 31, 2013</p> <p>Mandate to use Sales Tax Web File Most filers fall under this requirement; see Form ST-100-I (instructions).</p> <p>Has your address or business information changed? Mark an X in the box if the address listed is new or has changed (see 6 in Instr.)... <input type="checkbox"/></p> <p>No tax due? — If you have no taxable sales, taxable purchases, or credits to report for this period, complete Step 1 below; enter <i>none</i> in boxes 12, 13, and 14, and complete Step 9.</p> <p>ID number</p>
<p>Income reporting information</p> <p>If a different entity files the corporation tax, partnership, or personal income tax return to report income from this business, enter that entity's federal employer identification number (EIN) or social security number (SSN). Leave this field blank if the same entity files this sales tax return and reports the income from the business or if you aren't required to file income tax returns (for example, NYS governmental entities).</p>		
<p>Is this your final return? — If you sell or discontinue your business, or change the form of your business, you are required to file a final return with the applicable information completed in Step 2 below. You must file your final return within 20 days of the last day of business or change in status. The return should include the tax due from business operations to the last day of business, as well as any tax collected on assets that you sell. Mark an X in the box if this is your final return.</p>		<input checked="" type="checkbox"/>

Note: A Tax Bulletin is an informational document designed to provide general guidance in simplified language on a topic of interest to taxpayers. It is accurate as of the date issued. However, taxpayers should be aware that subsequent changes in the Tax Law or its interpretation may affect the accuracy of a Tax Bulletin. The information provided in this document does not cover every situation and is not intended to replace the law or change its meaning.

<p>References and other useful information</p> <p>Tax Law: Section 1136</p> <p>Regulations: Section 533.3(e)</p> <p>Bulletins:</p> <p>Amending or Surrendering a Certificate of Authority (TB-ST-25) Filing Period Indicators on Final Sales Tax Returns (TB-ST-270) Sales Tax Rate Publications (TB-ST-820)</p>
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