**FAQ for the New Sales Tax (ST) Accounting Reports**

Q: **What transactions are included in each column of the reports?**

A: The table below describes what is in each column:

|  |  |
| --- | --- |
| Column Name | Transactions Included. |
| Sales Liability Qtr Ending | The three month ST liability quarter ending on the date specified. Aged is earlier than the oldest quarter shown. |
| Payments (Excluding 1-22 EFT) | Payments received during the calendar month that are **not** 1-22 EFT. They could be prorated or distributed, depending on whether or not return was filed. |
| Payments (1-22 EFT) | Prorated 1-22 EFT payments received in the calendar month. |
| Bank Adjustments | Returned checks, debit memos, credit memos, & rejected electronic payments. |
| Retargets | Movements of money from one ST return to another. |
| Transfers to and from Other Taxes | Corrections of incorrectly deposited payments, e.g. ST money deposited into a Withholding tax in error, or vice versa. |
| Distribution Adjustments | The un-proration of prepayment money and the redistribution of those payments according to the return, return adjustments, amended return processing adjustments, etc. *Note: With quarterly return due dates in March, June, September and December; You will get more money this month if the prepayments from the earlier months were under-distributed and less money if they were over-distributed. Please see the table at the end of this document for additional information related to the timing of payment transactions.*  |
| Refunds | Refunds to taxpayers or refunds offset to pay ST or other tax liabilities on our accounts receivable system (CARTS). |
| Credit Forwards | Excess money moved from one liability period (return) forward or reversals. |
| Assessment Collections | Share of accounts receivable (CARTS) collections paid by vendors or offset from refunds due taxpayers for the month. Transfers into and out of CARTS to the tax processing systems for misapplied payments. The liability period information is known for transfers. The payments do not have liability period information and post to ‘Aged’.  |
| Use Tax from PIT Returns | ST money collected on NYS Personal Income Tax returns processed during the month. |
| MTA Held Harmless | Adjustments resulting from provisions in the ST Law that require holding MTA harmless, e.g. for clothing and motor fuel. |
| Administrative Charges | Amounts charged for administration of ST. |
| Other | Special adjustments and reconciling items. |

Q: **What is the earliest available month of the reports?**

A: The five new reports will begin with the month of April 2016.

Q: **What is the status of the current reports?**

A:

(i) Status of AS570. This report will be maintained for future reporting

(ii)Status of AS300, AS310, AS400, AS410, AS500, AS510, and AS511

(1) Accounting will produce these AS reports until the old ST Legacy system is decommissioned. The reports will include 100% of the ST money.

(2) Localities should switch to using the five new reports once they are available. The preponderance of the money and financial transactions are in eMPIRE and will be reflected in these new reports. You cannot reconcile transactions between the AS and new eMPIRE reports for the same months.

Q: **When will the latest month be available?**

A: The reports will generally be available the afternoon of the 12th of the month after 2 p.m. or the previous business day if the 12th falls on a weekend.

Q: **Why don’t the reports tie out to the distribution received?**

A: These reports only contain the new ST eMPIRE system transactions. The amount that these reports will differ from your payments should be immaterial. Differences can result from deposits and adjustments occurring in the old Sales Tax legacy processing system and they will continue until that system is decommissioned. In addition, the eMPIRE system for ST operates out to 5 decimal places and these transparency reports are not adjusted to the rounding that is done at the certification stage that generates the payment amounts.

Q: **When will new liability quarters be added to the reports?**

A: The grid of this report will create four new quarter ending dates and drop the data for the oldest four into ‘Aged’ every year beginning with the April report.

Q: **How can I find the jurisdiction I’m looking for?**

A: There is an Index provided to easily find your Report Page Tab in four of the five new Excel reports.

Q: **How are monthly ST payments from businesses distributed if the return hasn’t been filed yet?**

A: Monthly ST payments are prorated to all the jurisdictions using a percentage based on the collections from the prior year. It is important to note that most of the ST collections are received as monthly payments.

Q: **How do the prorated monthly payments get properly distributed?**

A: When returns are received in the peak month (March, June, September, and December) the monthly payments for each business is unprorated and distributed per the return. This unproration and distribution is included in the ‘Distribution Adjustments’ column of the report.

The chart below shows the liability periods and when these adjustments will occur for timely filed returns:

|  |  |  |  |
| --- | --- | --- | --- |
| Month in Report Column: Sales Liability Qtr Ending  | Sales Tax Liability Months Included in the Quarter | Report Month in which Payments are Received from Businesses. | The quarterly return is due the 20th of : |
| February | DecemberJanuaryFebruary | DecemberJanuaryFebruaryMarch | March |
| May | MarchAprilMay | MarchAprilMayJune | June |
| August | JuneJulyAugust | JuneJulyAugustSeptember | September |
| November | SeptemberOctoberNovember | SeptemberOctoberNovemberDecember | December |
|  |  | ***Funds received in the first three of the four months are prorated to the jurisdictions.******OSC pays the jurisdictions in the subsequent month,( i.e. March money in April)*** | ***This is the month that the prorated money will un-prorated & distributed by the return. Backing out any other adjustments for the month, the last payment for the month will be greater if the prepayments from the earlier months were under-distributed or less if they were over-distributed.*** |

Q: **When do I receive my ST Distribution payments, what accounting/report month are they for and what is in the payment?**

A:

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| **Advice Date** | **Receipt Date** | **Accounting Month(1)** | **Early Draw** | **Final Draw** | **Included items \*** |
| January 12, 2016 | January 13, 2016 | December 2015 |  | X |  |
| February 4, 2016 | February 5, 2016 | January 2016 | X |  |  |
| February 12, 2016 | February 16, 2016 | January 2016 |  | X |  |
| March 4, 2016 | March 7, 2016 | February 2016 | X |  |  |
| March 11, 2016 | March 14, 2016 | February 2016 |  |  |  |
| April 6, 2016 | April 7, 2016 | March 2016 | X |  |  |
| April 12, 2016 | April 13, 2016 | March 2016 |  | X |  |
| May 5, 2016 | May 6, 2016 | April 2016 | X |  | A |
| May 12, 2016 | May 13, 2016 | April 2016 |  | X | B |
| June 6, 2016 | June 7, 2016 | May 2016 | X |  | A |
| June 10, 2016 | June 13, 2016 | May 2016 |  | X | B |
| June 29, 2016 | June 30, 2016 | June 2016 | X |  | C |
| June 30, 2016 | July 1, 2016 | June 2016 | X |  | D |
| July 12, 2016 | July 13, 2016 | June 2016 |  | X | B |
| August 4, 2016 | August 5, 2016 | July 2016 | X |  | A |
| August 12, 2016 | August 15, 2016 | July 2016 |  | X | B |
| September 6, 2016 | September 7, 2016 | August 2016 | X |  | A |
| September 12, 2016 | September 13, 2016 | August 2016 |  | X | B |
| October 5, 2016 | October 6, 2016 | September 2016 | X |  | A |
| October 12, 2016 | October 13, 2016 | September 2016 |  | X | B |
| November 4, 2016 | November 7, 2016 | October 2016 | X |  | A |
| November 10, 2016 | November 14, 2016 | October 2016 |  | X | B |
| December 5, 2016 | December 6, 2016 | November 2016 | X |  | A |
| December 12, 2016 | December 13, 2016 | November 2016 |  | X | B |
| December 29, 2016 | December 30, 2016 | December 2016 | X |  | C |
| December 30, 2016 | January 3, 2017 | December 2016 | X |  | D |
| January 12, 2017 | January 13,2017 | December 2016 |  | X | B |

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| **\*Notes:** |  |
| **A** | 70% non-EFT and 100 % EFT payments and most types of adjustments at the time of calculating the early draw  |
| **B** | Any outstanding items not accounted for in early draw(s)for the accounting month |
| **C** | 70 %NON-EFT payments and most types of adjustments at the time of calculating the early draw |
| **D** | 100 % EFT payments posted to system |

For the accounting months of June and December the final payment will encompass more adjustments than usual since the early draw was run earlier in the month.

1. Accounting month = Report month on the new ST locality reports

Q: **What does each Sales Tax distribution payment contain and how were the payment amounts calculated before and after the upgrade to a systematic determination of distribution on 4/1/2016?**

A:

|  |  |  |
| --- | --- | --- |
| **Effective Dates** | **< 4/1/2016** | **>= 4/1/2016** |
| (**A)Early Draw** (1) Accounting Months returns are not due:JanuaryFebruaryAprilMayJulyAugustOctoberNovember(2)Accounting Months Returns are due:  (a)One early draw monthMarchSeptember (b)Two early draw months\*June\*December | A percentage of Payments (70% of non EFT and 100% of EFT) for the month with a possible adjustment for material adjustments. This early draw was completed manually and not systemically.Two components of early draw (one check):(1)A proration percentage was calculated using last years’ liability with an adjustment to what was already distributed for the quarter to the localities. If material adjustments were known that was also factored in. Also to avoid over drawing the locality for the month a conservative distribution was completed at the end of the calculation. This early draw was completed manually and not systemically. (2)100 % EFT paymentsSame two components of early draws(see above) however sent separately | The samepercentage of payments (70% of non EFT payments and 100 % of EFT) for the month and including real time systematic adjustments (i.e. return adjustments, refunds, bank adjustments, retargets, & credits forward) occurring on the ST processing system at the time the program for early draw runs.Note: Your money could be up or down depending on whether or not your adjustments are more positive or negative. Your total money for the calendar month won’t change but some of the adjustments that were accounted for in final draw are now accounted for in early draw as the system has real time adjustments. Methodology is the same as other months when the return is not due (see >=4/1/2016 above).Note:In the months the returns are due the distribution for early draw will vary more due to the unproration and redistribution of prepayments based on the returns.Your money could be up or down depending on whether or not your adjustments are more positive or negative.Same Methodology as above; however, two separate payments (The first distribution is 70 % non- EFT payments and reflected for system adjustments, the second is only 100% of EFT payments)  Note: Due to the two early draws occurring before the month end is complete; The draws will vary more than in March and December. |

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| --- | --- | --- |
| **Effective Dates** | **< 4/1/2016** | **>= 4/1/2016** |
| (**B) Final Draw** | The total due per locality for the accounting month minus any early draw distribution payments. Since the early draw did not account for many adjustments the final payment would account for any vendor payments not distributed and most of the system adjustments. | The final draw payment will consist of vendor payments and any other adjustments not accounted for in the early draw The total money for the calendar month won’t change but some of the adjustments that were accounted for in final draw are now accounted for in early draw as the system has real time adjustments. There are fewer adjustments reflected in the final draw except for June and December when early draw is run early. |

To Recap: It is still true that you should never compare payment to payment. Your money for any sales tax liability quarter is received over four calendar months. See FAQ: Q: **How do the prorated monthly payments get properly distributed?**