

# Sales and Use Tax Return (ST-3) Instructions

## \*\*\*ATTENTION\*\*\*

Please note, changes have been made to Form ST-3 effective January 1, 2013. Please read these instructions carefully. Dealers making sales of energy to Georgia manufacturers and dealers making sales into counties that have approved the transportation local option sales tax (TSPLOST) will be impacted by these changes.

To file and pay electronically please visit the Georgia Tax Center at <https://gtc.dor.ga.gov>. Additional information, instructional videos and frequently asked questions on electronic filing can be found at [www.gataxinfo.org](http://www.gataxinfo.org).

### General Instructions:

Record the **Sales and Use Tax Number (STN)**, name, and address of the registered taxpayer. The **Period Ending** should be the end date (mm/dd/yy) of the reporting period. Check the **Amended Return** box if you are amending a previously filed return for the same period. Check the **No Tax Due** box if there were no taxable sales during this period. If there has been no sales and use tax activity during the period do not complete this form, please check the **No Sales/Use Tax Activity** box on Page 5, complete and submit the payment voucher (Form PV-ST Sales and Use Tax Voucher) only.

### Part A - Tax Summary

#### LINE

- 1 Record Total State Sales including leases and rentals.
- 2 Record Total Exempt State Sales including leases and rentals. Total exempt sales should include both fully tax exempt sales and partially tax exempt sales.
- 3 Subtract Exempt State Sales (Line 2) from Total State Sales (Line 1) and record Taxable State Sales. Complete Part B and Part C.
- 4 Record the Total SALES Tax Amount (from Part B, line 19).
- 5 Record the Total USE Tax Amount (from Part B, line 24).
- 6 Record the TSPLOST tax (from Part C, line 50).
- 7 Record the Pre-paid Local Sales/Use Tax for on-road motor fuel (from Part D, line 3). *(If applicable, use ST-3D MF schedule on DOR website).*
- 8 Record Total Sales/Use Tax Collected for reporting period from taxpayer accounting records.
- 9 Record the sum of Lines 4 – 7. (Add Line 4 + Line 5 + Line 6 + Line 7)
- 10 Subtract Total Sales/Use Tax amount (Line 9) from Total Tax Collected (Line 8) amount and record the Excess Tax amount. Include the Excess tax amount in the appropriate sales/use category for vendor's compensation.
- 11 Record the Total Vendor's Compensation (from Part D Line 5).
- 12 Record previous Prepaid Sales Tax Amount if applicable. Please reference your annual prepaid letter.
- 13 Current Prepaid Amount if applicable. Please reference your annual prepaid letter.
- 14 Add Lines 9 and 10, subtract Lines 11 and 12, and add Line 13 for the Total Amount Due.

### Part B - Sales Tax Distribution Table

***Do not report Transportation Local Option (TSPLOST) sales and use tax in Part B; Transportation Local Option (TSPLOST) sales and use tax will be reported in Part C.***

- | <u>LINE</u> |  |
|-------------|--|
| 1           | Record the Taxable State Sales (Total State Sales <u>LESS</u> sales of energy to manufacturers, and all other tax exempt sales). Multiply this amount by the applicable state tax rate and record the Sales Tax Amount for the State.  |
| 2           | Record <u>ONLY</u> Taxable State Sales of energy sold to manufacturers. Multiply this amount by the applicable state tax rate (for energy sold to manufacturers) and record the Sales Tax Amount.  |
| 3           | Record Taxable Sales for the City of Atlanta (Total sales made within the City of Atlanta <u>LESS</u> sales of energy to manufacturers, sales of motor vehicles, and all other tax exempt sales). These sales are also required to be included in county sales below (044 Dekalb County and/or 060 Fulton County). Multiply this amount by the applicable sales tax rate for the City of Atlanta and record the Sales Tax Amount.  |
| 4           | Record <u>ONLY</u> Taxable Sales of energy sold to manufacturers within the city limits of Atlanta. Multiply this amount by the applicable tax rate for the City of Atlanta (for energy sold to manufacturers) and record the Sales Tax Amount.  |
| 5           | Record Taxable Sales for Clayton County (Total sales to Clayton County <u>LESS</u> sales of energy to manufacturers, sales of jet fuel, and all other tax exempt sales). Multiply this amount by the applicable tax rate for Clayton County and record the Sales Tax Amount.   |
| 6           | Record <u>ONLY</u> Taxable Sales of jet fuel in Clayton County. Multiply this amount by the applicable tax rate for jet fuel in Clayton County and record Sales Tax Amount.  |
| 7           | Record <u>ONLY</u> Taxable Sales of energy sold to manufacturers in Clayton County. Multiply this amount by the applicable tax rate for Clayton County (for energy sold to manufacturers) and record the Sales Tax Amount.   |
| 8           | Record Taxable Sales for Muscogee County (Total sales to Muscogee County <u>LESS</u> sales of energy to manufacturers, sales of motor vehicles, and all other tax exempt sales). Multiply this amount by the applicable tax rate for Muscogee County and record the Sales Tax Amount.  |
| 9           | Record <u>ONLY</u> Taxable Sales of motor vehicles in Muscogee County. Multiply this amount by the applicable tax rate for motor vehicles in Muscogee County and record Sales Tax Amount.  |
| 10          | Record <u>ONLY</u> Taxable Sales of energy sold to manufacturers in Muscogee County. Multiply this amount by the applicable tax rate for Muscogee County (for energy sold to manufacturers) and record the Sales Tax Amount.   |
| 11-17       | Use lines 11-17 and additional addendum pages as needed to record taxable sales for all other counties. List the county name and corresponding county jurisdiction code (see Rate Chart) in which taxable sales were made. Record taxable sales, multiply this amount by the applicable county tax rate and record the Sales Tax Amount. <b><u>NOTE: Energy sold to manufacturers must be recorded by county on a separate line item from other taxable sales (See Example).</u></b> |

**Example:** Taxpayer has \$50,000 in total taxable sales for Cobb County which includes \$10,000 in energy sold to a manufacturer. On line 11 (or next available line item in Part B or related addendum) list Cobb County (jurisdiction code 033), record \$40,000 in total sales to Cobb County (\$50,000 less \$10,000 energy sales to a manufacturer), multiply this amount by the applicable tax rate for Cobb County and record the Sales Tax Amount. On Line 12 (or next available line) list Cobb County

(jurisdiction code 033E), record total sales of energy to manufacturers of \$10,000, multiply this amount by the applicable tax rate for Cobb County (for energy sold to manufacturers), and record the Sales Tax Amount.

Line	Jurisdiction	Jurisdiction Code	Taxable Sales	Tax Rate	Sales Tax Amount
11.	Cobb	033	40,000	2%	800
12.	Cobb	033E	10,000	1.75%	175

Additional addendum pages (Form ST-3 Addendum Sales) may be found on the Department of Revenue's website at [www.etax.dor.ga.gov](http://www.etax.dor.ga.gov)

- 18 If additional addendum pages were completed, record the total Sales Tax Amount from all forms.
- 19 Record the sum of Lines 1-18 as Total Sales Tax and record this amount on Part A Line 4.

### **Part B – Use Tax Distribution Table**

#### **LINE**

- 20-22 Use lines 20-22 and additional addendum pages as needed to record State and Local Use Tax Amount by jurisdiction of use. **Do not report Transportation Local Option (TSPLOST) use tax due in Part B**; Transportation Local Option (TSPLOST) use tax will be reported in Part C. For each entry, record the jurisdiction of use code (county code), and reason code. Use tax is due if applicable Georgia sales tax was not paid on an item purchased or leased and that item has been placed into “use” within Georgia. Jurisdiction of Use means the county in which the product/service was first used in Georgia. Use tax Reason Codes are as follows:

Code	Reason
01	Georgia Use – item purchased tax-paid in Georgia and used in another county having a higher local tax rate.
02	Georgia Withdrawal from Inventory.
03	Import-Use (State tax only). The jurisdiction “State” (000) must be used for this code.
04	Import-Use (Local tax only)

Examples of taxable transactions, Jurisdiction of Use, and Reason Codes include:

A contractor purchases an item for \$600.00 in a Georgia county where the total sales tax rate is 6% and uses the item to fulfill a contract in a jurisdiction where the total sales tax rate is 8%. The contractor owes additional use tax of 2% and should record local use tax due of \$12.00 (\$600.00 x .02). The use tax Reason Code is 01.

A Georgia furniture manufacturer withdraws a table worth \$700.00 from inventory to use in the business's break room. The manufacturer owes state and local use tax

based on the fair market value of the table, at the rate in effect in the jurisdiction where the withdrawal from inventory occurs. The manufacturer should calculate the use tax due by multiplying the combined state and local use tax rate by \$700.00 and recording the resulting use tax. The use tax Reason Code is 02.

A Georgia resident or Georgia business purchases an item for \$800.00 via the internet or by catalog, and the seller does not charge sales tax. The purchaser owes use tax based on the rate in effect in the jurisdiction where the purchaser takes possession of the item. The purchaser should calculate state use tax by multiplying the applicable state use tax rate by \$800, and recording the resulting state use tax due with the use tax Reason Code 03. The purchaser should calculate the local use tax due by multiplying the applicable local use tax rate by \$800.00 and recording the resulting local use tax due with the use tax Reason Code 04.

A Georgia resident or Georgia business purchases a \$900.00 item outside of Georgia, pays the other state's 5% state sales tax at the time of purchase and returns to Georgia with the item. The purchaser will receive credit against Georgia's 4% state use tax due and thus owes no additional state use tax. The purchaser owes local use tax at the rate in effect in the jurisdiction where the purchaser lives or where the business is located. The purchaser should calculate the local use tax due by multiplying the applicable local use tax rate by \$900.00 and recording the resulting local use tax due. The use tax Reason Code is 04.

Additional addendum pages (Form ST-3 Addendum Use) may be found on the Department of Revenue's website at [www.etax.dor.ga.gov](http://www.etax.dor.ga.gov)

- 23 Record the Addendum Page Total. Sum the above Use Tax Amount column for the Total Use Tax.
- 24 Record the sum of Lines 20-23 as Total Use Tax and record this amount on Part A, Line 5.

### **Part C – TSPLOST Sales & Use Tax**

**TSPLOST Sales and Use Tax – This section should ONLY be completed by individuals or businesses who have made taxable sales within or owe use tax to the counties listed in Part C (TSPLOST Sales & Use Tax).**

#### **LINE**

- 1-46 **Column A: TSPLOST Taxable Sales** - Record Taxable Sales by county (Total County Sales LESS sales of energy to manufacturers, and all other tax exempt sales).
- 47 Record the sum of taxable sales Lines 1-46, Column A.
- 48 Multiply taxable sales (Line 47) by .01.
- 1-46 **Column B : TSPLOST Use Tax** - Record TSPLOST use tax amount due. Use tax is due if applicable TSPLOST sales tax was not paid on an item purchased or leased and that item has been placed into "use" within one of listed counties.
- 49 Record the sum of use tax Lines 1-46, Column B.
- 50 Record the sum of Lines 48-49 as Total TSPLOST Tax and record this amount on Part A, Line 6.

### **Part D – Vendor’s Compensation Calculation**

**LINE**

- 1 Record Total Sales and Use Tax on non-motor fuel sales/use up to and including \$3000 (from total on Part A, Lines 4 + 5 + 6 + 10). Multiply this amount by 3% (or .03) Vendor’s Compensation and record result.
- 2 Record Total Sales and Use Tax on non-motor fuel sales/use over \$3000 (from total on Part A, lines 4 + 6 + 10) Multiply this amount by .5% (or .005) Vendor’s Compensation and record result.
- 3 Record Pre-paid Local Sales/Use tax for on-road motor fuel; if applicable (see Pre-paid Local Sales Tax on Motor Fuel Schedule at DOR website). This schedule must be completed and submitted with Form ST-3 (Sales and Use Tax Return). Multiply this amount by 3% (or .03) Vendor’s Compensation and record the result.
- 4 Record State and Local sales/use tax due on off-road motor fuel; if applicable (from Off-Road Fuel Worksheet at DOR website; this worksheet is not required to be filed with the return – keep for taxpayer’s records).
- 5 Total above Vendor’s Compensation amounts for Total Vendor’s Compensation and record this amount on Part A, line 11.

### **Part E – Bad Debt Reporting**

**LINE**

- 1 Record bad debt losses incurred on taxable Georgia sales.
- 2 Record recoveries on Georgia bad debt that were previously written off.

### **Part F – Certification and Signature**

The return must be completed and signed in order to be considered timely filed.

#### **Additional Instructions**

##### **Amended Returns**

An Amended return must be submitted on an ST-3 Sales and Use Tax Return with the Amended Return Box checked. The Amended return should reflect the changes to the original sales and use tax return information as well as the unchanged data.

##### **Master Accounts**

Any dealer with four or more locations is required to report on a consolidated Sales and Use Tax form (ST-3). Master accounts should file their sales and use tax return online using the Georgia Tax Center (<https://gtc.dor.ga.gov>).

##### **Penalty and Interest on Delinquent Returns**

- Returns and payments are considered timely if postmarked by the due date of the return (the 20<sup>th</sup> day following the close of the reporting period). Taxpayers will be billed penalty and interest for all returns and payments filed after this date.

- Penalty is calculated separately for the state and all local taxes in aggregate. A penalty of 5% (.05) of the tax due or five dollars (\$5.00), whichever is greater, for the state and for the local taxes will be billed after the return is processed. This penalty will be billed for each month, or fraction of a month, when the return is delinquent. The penalty amount will be 25% (.25) or twenty-five dollars (\$25.00), whichever is greater.
- Interest is also calculated separately for the state and local taxes that are delinquent. Interest is calculated at 1% (.01) of the amount delinquent for each month, or fraction of a month, and will continue as long as the taxes are delinquent.
- Vendor's Compensation is only given when both the payment and return are submitted timely. Taxpayers who are mandated to file electronically will not receive vendor's compensation if a paper return and/or payment is submitted.

### **Mailing Instructions**

Mail the return to the following address:

State of Georgia, Department of Revenue  
PO BOX 105408  
Atlanta, GA 30348-5408

Additional forms and information may be obtained from: Department of Revenue website/Forms.  
<https://etax.dor.ga.gov/>

If you need additional assistance, please contact Taxpayer Service at 1-877-423-6711. A list of the Regional Offices can be found at <http://www.etax.dor.ga.gov/doroff.aspx>