

## Sales/Use:

### Tennessee DOR Addresses New Law Allowing Some Customers to Directly File Sales Tax Refund Claims

*Notice No. 21-18*, Tenn. Dept. of Rev. (9/21). The Tennessee Department of Revenue (Department) issued a notice reflecting legislation enacted earlier this year [see S.B. 883 (2021), and *State Tax Matters*, Issue 2021-20, for more details on this new law] that, effective October 1, 2021, allows customers/purchasers to file sales tax refund claims on taxes paid to dealers directly with the Department under certain circumstances.

According to the notice, the new procedure applies “in limited instances when the dealer is unresponsive or declines to credit or refund the tax collected in error.” To claim refund of sales tax paid to the seller with the Department, the customer must ensure that the claim meets the following requirements:

**URL:** <https://www.tn.gov/content/dam/tn/revenue/documents/notices/sales/sales21-18.pdf>

**URL:** <https://wapp.capitol.tn.gov/apps/BillInfo/Default.aspx?BillNumber=SB0883>

**URL:** [https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/STM/210521\\_15.html](https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/STM/210521_15.html)

- The claim for refund must exceed \$2,500 per dealer;
- The dealer must have collected the tax from the customer and remitted it to the Department; and
- The customer must have requested a refund from the dealer on at least two separate occasions and the dealer failed or declined to issue the refund.

The notice details other underlying procedural requirements, including that prior to filing a claim for refund directly with the Department, the customer also must request that the dealer complete a “dealer attestation form.” Please contact us with any questions.

— Doug Nagode (Atlanta)  
Managing Director  
Deloitte Tax LLP  
dnagode@deloitte.com

Joe Garrett (Birmingham)  
Managing Director  
Deloitte Tax LLP  
jogarrett@deloitte.com

Liudmila Wilhelm (Atlanta)  
Senior Manager  
Deloitte Tax LLP  
lwilhelm@deloitte.com

This document contains general information only and Deloitte is not, by means of this document, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This document is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this document.

**About Deloitte**

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as “Deloitte Global”) does not provide services to clients. In the United States, Deloitte refers to one or more of the US member firms of DTTL, their related entities that operate using the “Deloitte” name in the United States and their respective affiliates. Certain services may not be available to attest clients under the rules and regulations of public accounting. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more about our global network of member firms.