

FORM 850 INSTRUCTIONS -- IDAHO SALES AND USE TAX

YOU MUST FILE A RETURN FOR EACH FILING PERIOD, EVEN WHEN NO TAX IS DUE.
LABELS ARE INCLUDED FOR YOUR CONVENIENCE.

General. You are required to report tax using the accrual method. This means that you must report and pay tax on all cash and credit sales and items purchased subject to use tax even if payment has not been made. **You must sign your return to make it valid. Unsigned returns may result in penalty or interest, or both.**

Due Date. Returns cover either one month, quarter, semiannual or annual period. **Each return indicates the period covered and the due date.**

Change of Mailing Address. Mark the "mailing address change" box on your tax return and provide the new address.

Change in Operation/Ownership. You must report any change in operation of your business on an amended Idaho Business Registration Form. You must report a change in partners or officers, any restructuring of ownership, new locations, an address change, or additional locations. You can also make these changes online through tax.idaho.gov by clicking on "Apply for a business permit" under the Online Services heading.

New Owner. If you're a new owner of a business, **don't use a return which has been addressed to the former owner.** Permits are not transferable. You can apply for a new account number through tax.idaho.gov by clicking on "Apply for a business permit" under the Online Services heading. You can also complete the Idaho Business Registration form available online at tax.idaho.gov or by calling the Idaho State Tax Commission.

Cancel Permit. If this is your final return, mark the "cancel permit" box on your tax return and provide date of closure.

Line 1. Total Sales. Enter the amount of all accrued sales for the period, including cash and credit transactions.

Total Sales include:

- All sales originating in Idaho with an in-state destination, both wholesale and retail.
- All sales originating in Idaho with an out-of-state destination, both wholesale and retail.
- All sales originating outside Idaho with an Idaho destination, both wholesale and retail.
- Total of labor and sales of tangible personal property, both wholesale and retail.

Total Sales don't include:

- Lodging sales reported for you by Short-Term Rental Marketplaces.

Line 2. Nontaxable Sales. Enter the amount of all nontaxable sales for the period, including cash and credit transactions.

Line 3. Net Taxable Sales. Subtract line 2 from line 1.

Line 4. Items Subject to Use Tax. A use tax is imposed on the use, storage or other consumption of tangible personal property in Idaho upon which a sales tax has not been paid. Enter the taxable amount of items you purchased for use, storage or other consumption during this period on which you did not pay a sales tax.

Line 5. Total Taxable. Add lines 3 and 4.

Line 6. Tax. Multiply line 5 by 6%.

Line 7. Adjustments. Use this line when claiming adjustments or amending previous returns (such as errors in reporting or bad debt write-offs on accounts found to be worthless). **A letter of explanation must be provided.**

Line 8. Tax Due. If line 7 results in an increase, add to line 6. If line 7 results in a decrease, subtract from line 6.

Line 9. Penalty. Delinquent returns are subject to penalty. No penalty is due if no tax is due. Penalty is 5% of the tax due for each delinquent month or portion of a month. The maximum penalty is 25% and the minimum penalty amount is \$10.00.

Line 10. Interest. Interest accrues on delinquent payments from the due date until paid. Rates are as follows:

- 1/1/2018 - 12/31/2018, 4% per year
- 1/1/2017 - 12/31/2017, 3% per year
- 1/1/2016 - 12/31/2016, 4% per year
- 1/1/2015 - 12/31/2015, 4% per year

Line 11. Total Due. Add lines 8, 9, and 10. Pay this amount.

Electronic Payments. There's no fee when paying by ACH Debit. If you pay by credit card or e-check, our third-party provider will charge a convenience fee. American Express, Discover, MasterCard, and Visa are accepted. To make credit/debit card, e-check, and ACH Debit payments, use our Taxpayer Access Point (TAP) at tax.idaho.gov. For more information, visit our *E-Pay* page at tax.idaho.gov/epay.

Check Payments. Make your check or money order payable to the Idaho State Tax Commission. Don't staple your check to your return or send a check stub.

Payments of \$100,000 or more. Idaho law requires you to use ACH Debit or ACH Credit (electronic funds transfer) when making payments of \$100,000 or more. If you file a paper tax return, indicate on the report that you paid by one of these methods. If you're making an electronic funds transfer for the first time, read more at tax.idaho.gov/epay. To request our "ACH Credit Addenda and Bank Information" form, email us at eft@tax.idaho.gov or fax (208) 334-7625.

Mail return to: Idaho State Tax Commission, PO Box 76, Boise, ID 83707-0076

CONTACT US

In the Boise Area: (208)334-7660
or
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Hearing impaired (TDD):
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