

8-03

Application for Direct Pay Permit for Sales and Use Taxes on Direct Mail

North Carolina Department of Revenue

Office Use

1. Federal Employer ID No.: ☐☐ – ☐☐☐☐☐☐☐

2. North Carolina Sales and Use Tax Account ID: ☐☐☐☐☐☐☐☐☐

3. Legal Business Name: _____

4. Trade Name *(DBA Name)*: _____

5. Business Location in N.C.: *(Not P.O. Box Number)*
   Street _____
   City _____ State _____ Zip Code _____ County _____

6. Mailing Address:
   Street or P.O. Box _____
   City _____ State _____ Zip Code _____

7. Number of locations in N.C.: _____

8. Type of Business: _____

_____

_____

_____

Signature: _____ Date: _____

I certify that, to the best of my knowledge, this application is accurate and complete.

Name (Print): _____ Title: _____

E-mail: _____ Phone: _____

Mail to: N.C. Department of Revenue, Sales and Use Tax Division
P. O. Box 871, Raleigh, NC 27602-0871

General Information

Pursuant to G.S. 105-164.27A, a direct pay permit can be issued to a purchaser of direct mail.

- G.S. 105-164.3(7a) defines direct mail as "Printed material delivered or distributed by the United States Postal Service or other delivery service to a mass audience or to addresses on a mailing list provided by the purchaser or at the direction of the purchaser when the cost of the items is not billed directly to the recipients. The term includes tangible personal property supplied directly or indirectly by the purchaser to the direct mail seller for inclusion in the package containing the printed material. The term does not include multiple items of printed material delivered to a single address."
- A direct pay permit for direct mail authorizes its holder to purchase direct mail without paying tax to the seller and authorizes the seller to not collect any tax on a sale to the permit holder. A person who purchases direct mail under a direct pay permit must timely file a return and pay the tax due to the Department. A direct pay permit issued for direct mail does not apply to any tax other than the tax on direct mail.
- Upon approval, the Department will issue a numbered direct pay permit for direct mail. The permit holder should issue a copy of the permit to its vendors of direct mail.
- A direct pay permit that is issued to a vendor selling direct mail relieves the vendor from collecting and remitting sales and use tax on the sale of all direct mail to the purchaser. A permit holder is liable for accruing and remitting tax directly to the Department on all taxable direct mail purchased for which a direct pay permit has been issued to a vendor. Sales and Use Tax Technical Bulletin Section 7-1 provides additional information on the taxability of printed material.
- The Department may revoke a direct pay permit if the holder of the permit does not file a sales and use tax return timely, does not pay the tax on time, or otherwise fails to comply with the Sales and Use Tax Laws.
- If you have questions, you may contact the Sales and Use Tax Division, NC Department of Revenue, P.O. Box 871, Raleigh, North Carolina 27602-0871. You may also telephone the Division at (919) 733-2151.

Line by Line Instructions

Line 1 - Enter your firm's Federal Employer Identification Number (FEIN). Direct Pay Permits are issued by FEIN. A separate application must be completed for each FEIN.

Line 2 - Enter your firm's North Carolina Sales and Use Tax Account ID Number. If your firm does not have a North Carolina Sales and Use Tax Account ID Number, complete Form AS/RP1, Registration Application for Sales and Use Tax and Income Tax Withholding, and submit with this application.

Line 3 - Enter the Legal Business Name for which a Direct Pay Permit is requested.

Line 4 - Enter the Trade Name for which a Direct Pay Permit is requested.

Line 5 - Enter the business address of your firm in North Carolina.

Line 6 - Enter the mailing address to which all correspondence concerning the Direct Pay Permit should be mailed.

Line 7 - Enter the number of locations in North Carolina.

Line 8 - Describe the type of business your firm operates.

Sign and date the application. Print your name along with your title, phone number, and e-mail address where you can be reached if we have questions about your application. **Mail your application to NC Department of Revenue, Sales and Use Tax Division, P.O. Box 871, Raleigh, NC 27602-0871.**