<u>Out-of-state vendors – California sellers permit verification required.</u>

When making payments to out-of-state vendors the Auditor's Office requires the following procedure to be followed:

1) Upon receipt of all invoices from out of state vendors, review the invoice to see if sales tax has been charged. If there is a charge for sales tax, the County must obtain the vendors California Seller's Permit number.

2) After obtaining the vendor's California Seller's Permit number, verify that it is valid by following these steps:

a) State of California - Board of Equalization web site: www.boe.ca.gov.
b) Click option, "verify a permit or license".
c) Choose "Sales and Use Tax Permit Verification"
d) Enter the numeric portion of the permit number
e) Press "Submit Request".

3) If the Seller's number is valid/current, process the invoice as usual. If this is a new vendor, provide the Auditor's Office with the Seller's Permit number and date the permit number was verified.

4) If the Seller's number is not valid, reduce the invoice by the amount of the sales tax and process the adjusted balance for payment. For any vendor that was **not** paid sales tax for a taxable item, clearly mark the claim with a "TX". For vendors without a valid California seller's permit number, if payment is a taxable item, the County is responsible for paying the State directly for the relevant sales tax amount. Marking the claim with a "TX" helps the Auditor's Office identify sales tax that is owed directly to the State.