

## **NOTICE TO VENDORS: NEW LAW WILL RESULT IN CLOSURE OF NONCOMPLIANT BUSINESSES**

Beginning November 1, 2012, any vendor who is delinquent in the filing and payment of sales taxes three times within a consecutive twenty-four (24) month period is subject to business closure.

The Tax Commission will issue notice to a vendor who has failed to file two (2) reports or remit sales tax due for two (2) months within a twenty-four (24) month period advising the vendor a third delinquency in reporting or remitting sales taxes will result in closure of the business.

The Tax Commission will issue notice to a vendor who, after being issued notice after a second delinquency, fails to report or pay sales taxes for a third month within a twenty-four (24) month period advising the vendor that the business will be closed within five (5) business days from the delivery or attempted delivery of the notice unless the vendor exercises one of the following options:

- (1) Provides proof that the delinquent reports and/or payments have been previously filed and/or paid;
- (2) Files all outstanding sales tax reports and remits the delinquent sales tax, including interest, penalty, and fees; or
- (3) Enters into an approved installment agreement to satisfy the delinquent sales tax, interest, penalty and fees.

The notice will also advise that the vendor may object to the business closure by filing a written protest and request for hearing within five (5) business days from the delivery or attempted delivery of the notice.

If the vendor does not exercise any of the options available to avoid business closure, or comply with the terms of an installment payment agreement, or seek administrative or judicial review, or the closure decision is upheld after administrative or judicial review, the Tax Commission shall affix written notice on all entrances to the business that:

- (1) Identifies the business as being subject to a business closure order; and
- (2) States the business is prohibited from further operation.

It is unlawful for a business to continue operation after an order of closure. Any business operating after an order of closure is subject to being enjoined by the District Court and other legal action, as appropriate.

For complete copies of the proposed rules relating to business closure, please see the Oklahoma Tax Commission website at [www.tax.ok.gov](http://www.tax.ok.gov).