

Tax FAQ for Flea Market

All Vendors are responsible for collecting and remitting all sales tax. Please include the Indiana Department of Revenue Sales Tax Number on the Flea Market Application. Your certificate must be posted within your booth for the full duration of the show.

If you currently do not have a Retail Merchant's Certificate, you may register on-line www.in.gov/dor and click on forms/Business Tax Forms/On-Line BT-1. The application will be processed in 24-48 hours.

You may also register in person by visiting the Merrillville District Office located at 8368 Louisiana Ave., Ste. A Merrillville, IN 46410, phone (219) 769-4267, fax (219) 769-9363. You will receive your certificate on the same day. For additional district office locations, please visit the www.in.gov/dor website.

As of February 1, 2010 the fee is \$25 for a Retail Merchants Certificate. Check with the DOR for the most up to date information on fees.

Does your business sell goods or tangible personal property? If so, you'll need to register to collect a 7 percent sales tax. This registration gets the ball rolling so that you can legally conduct retail sales in the state of Indiana. Once your registration is completed and processed, you'll be issued a Registered Retail Merchant Certificate (RRMC). And you'll need one certificate on display for each business location, if you have more than one retail address.

The RRMC is valid for two years, and updates automatically with no additional charge for renewal. If a business does not pay its tax liability, the RRMC will expire. If you have more questions about sales tax, please call our sales tax information line at (317) 233-4015.

Even if you are selling food or working for a company that remits their own sales tax, you must still register for a RRMC. This Certificate gives you permission to be able to sell regardless if you are charging sales tax. If you are exempt from collecting tax, then you file zero for your return, but still need the RRMC.

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IV. Garage sales, rummage sales, or similar type sales (non-auction sales)

A garage sale, rummage sale, or similar sale that meets all the following conditions is a casual sale and therefore the items sold are not subject to sales tax, or use tax:

1. The sale must be at the residence of the owner of the tangible personal property;
2. The sale must be conducted by the owner or the immediate family of the owner of the property being sold;
3. The tangible personal property must not have been acquired by the owner for the purpose of resale;
4. All sales or use tax due on the original acquisition of the property must have been paid by the owner; and
5. The sales must be held on an infrequent basis.

In the event that certain tangible personal property being sold at a particular sale meets the above conditions but other property fails to meet such conditions, the seller becomes a retail merchant and sales tax must be collected on the sale of all property failing to meet the conditions. Form BT-1 must be completed to register for sales tax.

Example: Juanita is opening a computer store where she'll sell components parts and offer repair services. While she won't collect sales tax on the repair service, she will be required to collect sales tax on the components she sells. To get started, Juanita needs to file a Business Tax Application with the Department and indicate she will be collecting sales tax. Once she receives her Retail Merchants Certificate, she can then open for business.