

REG-1-025, Returned Articles

025.01 In the event taxable purchases are returned to the retailer by the purchaser or consumer and the sale is entirely rescinded, the retailer or an agent of the retailer certified under the Streamlined Sales Tax Agreement shall refund or give credit to the purchaser the amount of tax previously paid or charged. If only a portion of the purchase price is refunded or credited, the amount of tax to be refunded or credited by the retailer shall be computed based upon the amount of the purchase price to be refunded or credited exclusive of the tax.

025.02 No refund or credit for tax shall be given by the retailer for the return of any merchandise which is exempt from the tax. No refund or credit for tax shall be given by the retailer for goods sold for resale and returned.

025.03 The retailer or an agent certified under the Streamlined Sales Tax Agreement may deduct from gross sales on his or her tax return that portion of the sales price of the property that is refunded or credited to the purchaser; provided, he or she has previously remitted the tax to the Department of Revenue. Any charge for the return of the item, such as a restocking fee, is a portion of the purchase price that is not refunded. The deduction is to be taken on his or her tax return for the period in which the refund was made or credit given.

025.04 See Reg-1-020, Motor Vehicles, for motor vehicles or trailers returned under the Nebraska Lemon Law.

(Section 77-2701.35, R.R.S. 2003, and section 77-2701.16, R.S.Supp., 2004. April 12, 2005.)