

117-327 Leased Departments

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Where a store has leased departments operated by other persons, each such person operating a leased department shall make a separate return, if he keeps his own books and makes his own collections on accounts.

Where the store leasing such department keeps the books and makes collections for the leased department the store may, as agent for the lessee, make returns for such leased department and pay the taxes due. Note, however, the lessee shall not be relieved of his liability until the amount due has been paid. This method of accounting for the tax is authorized only by special permission of the Department of Revenue.

Where the store makes returns as agent for leased departments, it shall make separate returns for each department leased or shall make a consolidated return for both its business and the leased departments using "Schedule of Locations" to show a breakdown of gross proceeds of sales and other required information relating to its business and relating to each leased department. In any case, the lessor must obtain the permission of the Department of Revenue to make returns for his lessee.

HISTORY: Added by State Register Volume 26, Issue No. 6, Part 2, eff June 28, 2002.