

NEW YORK STATE SALES TAX REFUND

As Challenge holds an Exempt Organization Certification from New York State, it is not liable for payment of sales tax. Sales tax on fuel is generally paid to the supplier and a refund is claimed monthly by filing a NYS Form FT-500.

1. Accounts Payable Clerk uses supplier invoice detailing purchases by product type to complete form FT-500 detail.
2. Completed FT-500 with A/P checks are given to the Controller for review and signature
3. Signed FT-500 is copied for Challenge file and mailed to NYS.
4. A journal entry is made to record the sales tax refund. (Debit Account 1-000-1135-000 Misc. Receivable and Credit Account 1-760-5535-000 Gasoline and Oil Expense.)