

# Sales/Use Tax & Exemptions

## General Information

Sales of tangible property, whether new or used, are subject to sales or use tax in most states and locals. Use tax is similar to sales tax and typically assessed at the same rate. Use tax applies in such cases as a purchase of a piece of equipment by an out-of-state buyer to be used in the state purchased from. Sales/use tax rates vary by state, county and city and are based upon the location of the item being sold. Tiger collects sales tax for remittance to the respective jurisdiction and does not benefit financially from the collection of sales/use tax. Tiger will not assess sales/use tax in states or circumstances where sales/use tax is not applicable.

All Buyers should purchase under the assumption that they are required to pay sales/use tax, unless they provide the documentation as described below, which proves buyer's qualification for exemption.

## Sales Tax Exemption

Unlike many e-commerce transactions, liquidation auctions (whether conducted online or live), require that the buyer take possession of their purchases at the auction site. Even when using a 3<sup>rd</sup> party shipping company, you are taking possession of the items, through your agent, at the local site. This means that you are subject to the rules of the local sales tax jurisdiction. While these rules vary by state/jurisdiction, you will typically be required to submit:

(a) A properly completed and legitimate Resale Certificate (see below for details)

- or -

(b) A properly completed Bill of Lading from a Common Carrier (see below for details).

**NOTE:** It is *your* responsibility to provide adequate evidence of your sales/use tax exemption as required by law and described herein. **Tiger reserves the right to reject any claim for sales tax exemption that it believes to be insufficient to satisfy the scrutiny of the applicable taxing authority. Buyer is purchasing with the understanding that all sales are final; purchases are not contingent upon Tiger's acceptance of Buyer's exemption status or the timely notice in which Buyer's sales/use tax exemption status is provided to the Buyer.**

## Resale Certificate Requirements

Sales tax rules vary by jurisdiction. Buyers are responsible to meet jurisdictional rules regardless of what may be posted by Tiger. Generally, the following requirements must be met for each sale you participate in and before the close of the auction.

- You hold a 'valid' Seller's Permit issued by the State in which you are purchasing from (most states do not accept out-of-state permits)
- You are in the business of reselling the type of items being purchased
- You have completed and submitted to Tiger a Reseller Certificate for the appropriate state or jurisdiction (see links to specific Reseller Certificates at the left of this page)
- You have provided Tiger with a photocopy or scan of your Seller's Permit

Buyers who do not submit evidence of their exemption prior to the close of the auction will be charged sales tax, which may be refunded upon Buyer providing documents necessary to prove their qualified exemption within 7 days of the auction closing.

## Bill of Lading Requirements

Not all states recognize the Buyer's shipment of purchases directly out-of-state as a basis for sales tax exemptions. Buyers are responsible to meet jurisdictional rules regardless of what may be posted by Tiger. Generally, the following requirements must be met for each sale you participate in and upon picking up your items from the sale site:

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- Provide a properly completed Bill of Lading issued by a 3<sup>rd</sup> Party Common Carrier
- The Bill of Lading must include:
  - A list of items being transported out-of-state
  - Identify the auction site as the originating location
  - Identify the out-of-state destination
  - Include the transportation company's contact information

\*Please note that you may be responsible to pay sales/use tax – even if purchasing for resale – if you self-transport your purchases out-of-state, or if items are released directly to the Buyer before being handed over to a transportation company.

### Vehicle Requirements

Tiger facilitates the sale of vehicles on behalf of the actual vehicle Seller, and does not act in the capacity of a vehicle dealer or broker. Therefore, Tiger provides all necessary documentation for the Buyer to take to the local Department of Motor Vehicles, at which time, the Buyer will pay all required fees, penalties, taxes, etc. Tiger does not collect sales or use tax on the sale of registered vehicles.

### Special Exemptions (Exemptions other than Reseller Exemptions described above)

In certain special cases, Buyers may be exempt from sales/use taxes in part or in whole, other than as provided for above. Buyers must submit documentation supporting such exemption claim to Tiger via fax or email **24 hours prior** to the auction date, at which time Tiger shall take necessary steps to validate the claim. In no case shall Tiger be obligated to issue special exemptions on purchases that have not been acknowledged as accepted by Tiger. In the event Buyer bids on items without having received such acknowledgment, Buyer recognizes their obligation to purchase any items won, regardless of Tiger's determination of Buyer's exemption status.

### **Submit Exemption Documentation to:**

By fax: 805-497-2211

Attn: Tiger Remarketing Services

Re: Sales/Use Tax Exemption, Buyer #####

By email: [auctions@tigergrupp.com](mailto:auctions@tigergrupp.com),

Subject: Sales/Use Tax Exemption, Buyer #####