



Self-Review – Vacation Rental Properties

You will need the following documents:

- Sales journal, rental invoices, or other sales records for rentals of less than 30 days for the period of **April 1, 2009** through **March 31, 2012**.
- Invoices, receipts, credit card statements, and other records of purchases of items used at the rental property, purchased between **April 1, 2009** and **March 31, 2012**.
- A depreciation schedule and check register.

Note: These documents will not need to be submitted as part of this self-review, but may be useful in assisting you to verify that all of your sales and purchases are included in your review.

Starting the Worksheet

The **Worksheet** contains columns to list both rental charges and purchases, and columns to calculate the resulting tax and interest. A separate **Worksheet** page will be needed to compute the tax and interest due for each rental location.

First enter your name, federal ID number or social security number, and the physical address of the rental location. Fill in the location city for each quarter, and then fill in the tax rates for each quarter before proceeding. If the location is not within any city limits, use the county name.

Note: If the rental property lies outside the city limits of Park City, but has a Park City address, do not use Summit County as the location; instead use “Snyderville Basin Tr Dist.”

Use the **Tax Rate Table** link on our website to assist you in finding the tax rates for your location(s). You may access our website at <http://www.tax.utah.gov/selfreview/vacationrental>. A Microsoft Excel version of the **Worksheet** is also available on the website, with additional instructions. **For your convenience, we recommend using the online Excel version**, which automatically inserts the tax rates and calculates tax and interest.

Reviewing Sales

Examine your sales records for any rentals of less than 30 consecutive days. Include on the **Worksheet** only rental amounts on which tax was not previously reported to the Utah State Tax Commission. These additional taxable rental amounts could include any of the following:

1. Any taxable rental on which **no** sales tax or transient room tax was reported to the Utah State Tax Commission, whether collected from the customer or not.
2. Any portion of the taxable rental charges that was not previously included when the sales tax and transient room tax were computed and reported. (To assist you in identifying taxable or nontaxable amounts, please refer to the **Examples** page.)
3. Any taxable rental where sales tax and transient room tax were reported at the wrong rate. Please contact us for further instructions if this has occurred. **Note:** If tax was incorrectly collected at a *higher* rate, any over-collection must be reported to the Utah State Tax Commission.

Total all previously unreported taxable rental amounts by location and period, and place these totals on the **Worksheet** in the “Total of Untaxed Sales” column.



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Reviewing Purchases

Review your purchase records to find any taxable purchases of which the seller did not charge sales tax. Refer to the **Examples** page to assist you. Please do the following:

1. Examine your invoices and receipts for the period of **April 1, 2009** to **March 31, 2012** and select those invoices of taxable purchases that do not show sales or use tax charged by the seller for inclusion on the **Worksheet**.
2. Examine your depreciation schedule, and credit card or bank card statements for the period of **April 1, 2009** to **March 31, 2012** for any taxable purchases that may have been missed during your review of the purchase invoices. Make a note of any taxable items purchased from out-of-state companies. If you cannot find evidence of tax paid, these purchases are to be included on the **Worksheet**.
3. After identifying all purchases on which sales and use tax was not charged, total the amounts of the taxable purchases from the invoices for each quarter by location and enter these totals on the **Worksheet** in the "Total of Untaxed Purchases" column. Do not include any amounts on which you previously reported use tax on your Sales and Use Tax Return.

Completing the Worksheet and Summary

Follow the indications given in the column headings to multiply sales and purchases by the proper tax rates. **Note:** The **Worksheet** accounts for the fact that purchases are not subject to transient room tax. When you arrive at the Total Tax Due for each period, multiply this amount by the listed Interest Factor to calculate the Interest Due. After totaling tax and interest for each period, total all periods at the bottom of the page. If you have multiple rental properties, repeat the above steps for each rental property location, making copies of the blank **Worksheet** as necessary. Enter the "Total Amount Due" from each **Worksheet** on the **Summary**.

The **Worksheet** and **Summary** sheet are also available online in Excel versions. If you use the Excel versions of these documents, print them and mail them together with your payment. Make your check payable to the Utah State Tax Commission.

If you use the enclosed **Worksheet** instead of the Excel version, you will need to adjust the interest amount if making early or late payment. The Interest Adjustment is calculated by totaling the tax from all periods (column 10), multiplying the total by the Daily Interest Factor in the upper-right-hand corner of the **Worksheet** to get the Daily Interest amount, and multiplying that amount by the number of days early or late that the payment is being made. If making early payment, subtract this Interest Adjustment from the Total Amount Due. If making late payment, add the Interest Adjustment to the Total Amount Due.

Need help or additional time?

If you have any questions about these instructions, please call our office for assistance. If you feel that the review cannot be completed in a timely manner, we will assist you in arriving at a mutually agreeable solution. You may contact Matthew Duke at (801) 297-4670, Stephen Peterson at (801) 297-4758, or Lóse Wolfgramm at (801) 297-4615.

Since all self-reviews are subject to verification by auditors, you will need to maintain the back-up documentation to support these amounts in the event your self-review is selected for verification.