



Indiana Department of Revenue
Application for Direct Payment Authorization

A separate application is required for each business location.

Federal Identification Number (9 digits)	Indiana Taxpayer Identification Number (TID) (10 digits)	Location Number (3 digits)	
Business Entity Legal Name (sole proprietors list last name, first name)			
DBA			
Mailing Address		Location Address (if different)	
City		State	Zip Code

Description of Tangible Personal Property to be Purchased Under Direct Payment Permit

I hereby certify that the above statements are correct to the best of my knowledge and that I am duly authorized to sign this application. In consideration for issuance of this direct payment permit, I agree that I will report and pay Indiana use tax when due directly to the Indiana Department of Revenue on any nonexempt transaction where a direct payment certificate was issued and sales tax was not paid.

Signed _____ Title _____ Date _____

Printed Name _____

Telephone Number _____ Email _____

Information Regarding Direct Payment Permits

To apply for a direct payment permit, you must be registered with the Indiana Department of Revenue as a retail merchant to collect sales and use tax. A registered retail merchant may apply for a direct payment permit enabling the merchant to remit use tax directly to the state, rather than paying sales tax to their suppliers.

Direct payment permits are issued only when the following conditions are established:

1. The taxpayer regularly buys substantial quantities of tangible personal property that may be used for either an exempt or a nonexempt purpose.
2. There is no reasonable way the exempt or nonexempt use can be determined at the time of purchase.
3. Adequate records will be maintained by the taxpayer showing the ultimate uses of all tangible personal property purchased and the amount of use tax remitted.
4. IC 6-2.5-9-3 imposes a personal liability on any employee, officer, or other person responsible for the remittance of use tax to the department.

Note: Direct payment authorization may be revoked by the department at any time. Taxpayers with expired Registered Retail Merchant Certificates (RRMCs) will also have direct payment authorization revoked.

Each business location must apply for and receive a separate direct payment authorization. A consolidated sales tax filing number may not be used as a direct payment authorization.

Direct payment authorization may not be used for the purchase of utilities or motor vehicles required to be licensed for highway use or for property purchased in Indiana for storage in Indiana and subsequent use outside Indiana as provided by the exception contained in IC 6-2.5-3-1 and 2.

Direct payment permits do not certify that the issuer is entitled to an exemption and may not be issued to flat bid (lump sum) contractors. Form ST-105 (general exemption certificate) should be issued if contract qualifies for exemption under IC 6-2.5-5.

Holders of direct payment permits are required to file a copy of their direct payment permit with their supplier in lieu of an exemption certificate.

The tax due must be reported and paid monthly as use tax on Form ST-103.

For more information regarding Indiana direct payment permits, contact the department at (317) 232-3425 option 5, or email the department at businessstaxcompliance@dor.in.gov.

Submit the form using this method:

- Mail to: Indiana Department of Revenue
Business Tax Compliance
P.O. Box 7063
Indianapolis, IN 46204-7063