

## REG-1-011, Bracket System for Adding and Collecting Sales Tax

011.01 A bracket system correlating sales price to the appropriate sales or use tax charge may be used by the seller. Copies of the bracket schedule established by the Department of Revenue are available upon request.

011.02 The sales or use tax liability may be computed by multiplying the sales price by the applicable tax rate in effect. All persons using machine or computer billing are authorized by the Department of Revenue to use a straight percentage basis of calculating the tax on such billings. If the calculation of the tax results in a fraction of a cent, the tax liability should be carried to the third decimal place and rounded to the nearest whole cent. If the third decimal place is four or less, round down and if the third decimal place is greater than four, round up.

011.03 Although retail sales may be made on which no tax is collected because of the size of the sale, e.g., a 10-cent sale, the receipts from such sales are included in taxable sales on which the retailer must compute and remit the tax.

011.04 When more than one item is purchased, the tax may be computed on the total amount of the combined taxable purchases or on the individual items. However, when the tax is allowed to be included in the amount of the purchase, the tax is computed on each item separately, rather than on the total of all purchases.

*(Section 77-3,117, R.R.S. 2003, and section 77-2703(1)(d), R.S.Supp., 2004. April 12, 2005.)*