

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF REVENUE
DIVISION OF SALES AND USE TAX
501 HIGH STREET
FRANKFORT KY 40601-2103

DIRECT PAY AUTHORIZATION

**MICHELIN NORTH AMERICA
INC DBA AMER SYNTHET
C/O ANA WORTHINGTON
1 PARKWAY S
GREENVILLE SC 29615**

EFFECTIVE DATE: 2/1/2008

PERMIT # 286231

The above company is authorized to report and pay directly to the Department of Revenue the sales and use tax on all purchases of tangible personal property, and digital property, excluding energy and energy-producing fuels, as well as certain services enumerated in KRS 139.200(g)-(q).

Retailers are authorized to sell tangible personal property, digital property and the services enumerated in KRS 139.200 (g) - (q), excluding energy and energy-producing fuels, directly to the above company without receipt of the sales and use tax, provided they are issued a copy of this authorization and retain the copy in their records. Retailers making non-taxed sales under this authorization must report those sales in accordance with Kentucky Administrative Regulation 103 KAR 31:030, Section 5, Direct Pay Authorization.

Retailers shall not accept this document for unauthorized purchases or from unauthorized persons. **This authorization is not valid for use by construction contractors under contract with the above company.**

Office of Sales and Excise Taxes
Division of Sales and Use Tax
(502) 564-5170

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF REVENUE
FRANKFORT
40620
revenue.ky.gov

08/23/2019

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Attached to this correspondence is the company's Direct Pay Authorization which the Kentucky Department of Revenue is issuing in accordance with the provisions of Kentucky Administrative Regulation 103 KAR 31:030. **Each direct pay holder is obligated to provide a copy of this authorization letter (Form 51A110) to all its vendors of tangible personal property, digital property and the services enumerated in KRS 139.200 (g) – (q), excluding vendors of energy and energy-producing fuels, and to directly report and pay the sales and use tax that would have been remitted if the Direct Pay Authorization had not been issued.**

By transferring the liability for payment of the tax from the seller to the purchaser, this provision eases the administrative burden of paying sales and use tax because in many cases the application of tax cannot be determined at the time of purchase. The direct pay holder must submit payment of tax based upon the **purchase price** of any tangible personal property, digital property and services enumerated in KRS 139.200 (g) – (q), which **are** used for a taxable purpose. The purchase price of this taxable **product** must be reported on Line 23 (a) of the Retail Sales and Use Tax Return and the tax thereon must be paid by the filing due date of the month in which the taxable event occurs.

This authorization for the direct payment of sales and use tax is not transferable to a third party. For example, construction contractors may not use the Direct Pay Authorization for their own purchases used in the fulfillment of a contract with a direct pay holder.

Please notify the Kentucky Department of Revenue immediately of any material change in business operations from the information originally submitted on the direct pay application. Also, please provide the Department with a list of all locations for which your company will be using this authorization. Any violation of the agreement as submitted in the application will be sufficient reason to withdraw this authorization. In addition, each return filed pursuant to this authorization, along with its supporting documentation, is subject to examination at the discretion of Kentucky Department of Revenue.

If any questions arise regarding the administration of the Direct Pay Authorization, please contact the System Services Section at (502) 564-5170.

Sincerely,

Julie Peach, Supervisor
Office of Sales and Excise Taxes
Division of Sales and Use Tax