



**Sales and Use Tax Division  
North Carolina Department of Revenue  
Post Office Box 25000  
Raleigh, North Carolina 27640-0001**

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**IMPORTANT NOTICE:**

**MONTHLY WITH PREPAYMENT FILERS REQUIRED TO FILE ELECTRONICALLY**

**Effective May 1, 2010**, taxpayers that have a monthly with prepayment filing frequency will be required to electronically file Form E-500, Sales and Use Tax Return, using the **E-500 Sales and Use E-File** web service. A link to the E-500 Sales and Use web service is available by selecting the Electronic Services tab, Businesses section, on the homepage at [www.dornc.com](http://www.dornc.com). **The Department will require the May 2010 return due June 20, 2010 to be filed electronically.** You should discard the preprinted coupons for May 2010 through September 2010 in your possession previously mailed by the Department.

To file a return electronically, you must choose to enter the return information online or upload an electronic data interchange (EDI) formatted return. Information about EDI is available by selecting the Electronic Services tab, Businesses section, on the homepage at [www.dornc.com](http://www.dornc.com).

As a reminder, taxpayers that have a monthly with prepayment filing frequency must continue to remit their payments electronically using one of the following options:

- Online by Bank Draft, Visa, or MasterCard by selecting the **"File E-500 and pay online"** option within the E-500 Sales and Use E-File web service. No advance registration is required when using this method.
- Online by EDI method by selecting **"File E-500 by EDI and pay online"** or **"File E-500 by EDI and pay by Electronic Funds Transfer (EFT)"** options within the E-500 Sales and Use E-File web service. Registration is necessary prior to filing and paying using this method. Complete Form NC-592, Sales and Use Tax Electronic Filing Registration.
- By ACH Credit (check your financial institution for availability). Select the **"File E-500 and pay by Electronic Funds Transfer (EFT)"** option within the E-500 Sales and Use E-File web service. Registration is necessary prior to filing and paying using this method. Complete ACH Credit Payment Method Authorization Agreement (EFT-100C).

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NOTE: if currently paying electronically by touchtone, voice, or pc software methods, you may continue to do so. When paying by one of these methods, you are subject to the same electronic filing requirements as indicated in this notice.

Monthly with prepayment filers must continue to execute two payment transactions, one payment for the current period, and a separate payment for the prepayment for the next reporting period. Failure to execute two separate payments will result in your account being out of balance and will require manual correction by the Department. When paying online by Bank Draft, Visa or MasterCard by selecting the "File E-500 and pay online option, the Department's online filing and payment system automatically creates two payments and routes the two payments to the appropriate periods.

Form E-536, Schedule of County Sales and Use Taxes is required to be submitted with sales and use tax returns filed by retailers or purchasers who are engaged in business in more than one county.

Questions about electronic filing and/or online payment should be directed to the E-Services Support Team at telephone number 1-877-308-9103 (toll-free), (select Option 1). Specific questions about EDI should be directed to E-File and Development Unit at telephone number (919) 733-1674. Questions about payment by ACH/EFT should be directed to the Electronic Funds Transfer Unit at 1-877-308-9103 (toll-free), (select Option 2 then Option 1). Phone assistance is available Monday through Friday between the hours of 8:00 a.m. and 5:00 p.m. Eastern Time, excluding holidays.

General questions about sales and use tax can be directed to the Taxpayer Assistance and Collection Center at telephone number 1-877-252-3052 (toll-free) or in writing to the Taxpayer Assistance Division, North Carolina Department of Revenue, P. O. Box 25000, Raleigh, N.C. 27640-0001.