

CAN I USE DAVO SALES TAX with CLOVER POS & GRUBHUB?

Several restaurants have asked us if they can use GRUBHUB with their CLOVER POS. The short answer is “yes” and there are two simple solutions depending on what state the restaurant is located in.

If a restaurant is in one of the five following states, Florida, Georgia, Michigan, Utah, Virginia, Grubhub pays the sales tax for the merchant, unless the merchant specifically signs a waiver saying they will pay it themselves, in which case it is returned to the merchant for payment. According to Grubhub, this never happens.

However, even though Grubhub pays the sales tax, this does not get the merchant totally off the hook. In order to have an accurate sales record the merchant needs to enter their Grubhub sales into CLOVER. We recommend doing this at the end of each month. To do this, they simply create an ORDER TYPE (ITEM) called Grubhub in their CLOVER and make it a non-taxable item. At the end of each month they enter the NET TOTAL SALES from Grubhub as a "non-taxable" sale into their CLOVER. The “net total sales” is readily available on the Grubhub merchant dashboard. This will ensure the Grubhub sales are accurately reported to the state when DAVO files on behalf of the merchant.

For all other states the merchant is responsible for the sales tax on Grubhub sales. To account for these sales, the merchant would again create an ORDER TYPE (ITEM) called Grubhub in their CLOVER POS with an OPEN PRICE function. At the end of each month, they would enter their GROSS TOTAL SALES from Grubhub. The total can again be found on the Grubhub merchant dashboard. Clover will calculate the sales tax on the total monthly Grubhub sales and it will be reported to DAVO and collected the same way their other sales tax is collected.

By entering the net or gross total sales into CLOVER each month, DAVO will have an accurate record of the merchant’s total monthly sales including what was sold through Grubhub.