



SALES TAX UPDATE

# BACKGROUND

## Why are we charging sales tax?

Beginning September 1<sup>st</sup> Allivet and Walmart Pet Rx will begin collecting sales tax in all applicable states. We are making this change to comply with state tax laws across the United States.



# SALES TAX CONT . . .

## What you need to know:

Taxes will be charged in all applicable states and territories starting September 1<sup>st</sup> 2019:

- Taxes will be based on the zip code where the package is being shipped to
- Our system knows which items should be taxed based on all state and local laws
- Prescription items are subject to tax in many areas



# TAX EXEMPT STATUS

## Sales tax exemption:

Some customers qualify to be exempt from paying sales taxes:

- These include charities, government agencies and other non-profit organizations.
- If a customer wants to apply for tax exempt status, they should send an email to [customercare@allivet.com](mailto:customercare@allivet.com) and place tax exempt in the subject line. The email must include their tax exemption certificate to be processed.



# TAX EXEMPT STATUS

## Sales tax exemption:

Once the e-mail has been sent the customer should allow one business day to process the application.

Monika Lesmo handles the tax-exempt applications and she will reach out to the customer once their information has been reviewed.

All orders placed prior to their tax exemption being approved will be subject to taxes.

Some customers in Florida were granted exemptions in the past. These customers will have to reapply to regain their exemption going forward.



# FREQUENTLY ASKED QUESTIONS

Q: Why are you charging taxes now?

A: We are complying with all state and local tax laws for online retailers.

Q: When did you start charging taxes?

A: We started charging taxes in your state on September 1<sup>st</sup>, 2019

Q: Why wasn't I charged before?

A: We had to upgrade our functionality to keep up with changing tax laws.

Q: Why am I getting charged so much?

A: You are being charged based on the state and local tax rate for the zip code we are delivering to.

# FREQUENTLY ASKED QUESTIONS

Q: I didn't pay taxes before; can you remove them this time?

A: No, we are required to collect taxes per your state's laws.

Q: Why am I being charged taxes on a prescription item? I thought they were exempt:

A: Not all prescription items are exempt in all areas.