

Public Ruling

Navajo Sales Tax

Pass-through of Sales Tax to Buyer

A ruling has been requested regarding the Navajo Sales Tax and whether it is permissible under the statute for a seller to pass the tax through to the buyer, or whether the Navajo Tax Code bars such a practice.

The legal incidence of the Navajo Sales Tax is on the seller of the goods or services, and the seller is responsible for filing the tax returns and making the payment. However, there is nothing in the Sales Tax that prohibits the seller from passing the tax along to the buyer; the Sales Tax is silent on that issue. As in the surrounding states, the Office of the Navajo Tax Commission neither requires nor prohibits a seller from passing the tax through to the buyer.

This ruling expires on December 31, 2012, unless previously withdrawn by the Office of the Navajo Tax Commission or superseded or rendered invalid by a change in statute or regulation.

If you have any questions, please contact the Office of the Navajo Tax Commission at (928) 871-7113.

Issued this 19th day of September, 2002.

Signed by R. C. Etcitty, Jr., on 09/19/02

Raymond C. Etcitty, Jr., Executive Director
Office of the Navajo Tax Commission