

The Benefits of a Discount Reseller License

Determine whether or not you need a discount reseller license and how to get one with this short and simple article.

Different states call it different things: a discount reseller's license, a seller's permit, resale certificate, certificate of authority, application to collect/report tax... but in the end, no matter what it's called, discount reseller's licenses are all the same thing. A wholesale company asks you for a discount reseller's license in order for you to get further price cuts.

There are two premises behind discount reseller's licenses:

1. The government wants to make sure that businesses are reselling wholesale goods appropriately by collecting and rendering taxes legally, and
2. Manufacturers want to be assured that the goods they are selling to a discount reseller are not being used for personal consumption.

When a business is acting as a discount reseller but isn't licensed, an item ends up being taxed twice: once when it is purchased from the wholesale supplier, and once when it is purchased by the end consumer. By purchasing a discount reseller's license, middlemen businesses can avoid this headache and save some cash in the process.

To find out where and who to get these discount reseller's licenses from, look in the blue pages of your local phone book for the local government business regulators. Give them a ring and ask if and how you can apply for a discount reseller's license, and what the costs are.

Another option is to contact your local Chamber of Commerce to see if they have any relevant information on discount reseller's licenses. Usually they can save you a lot of time and heartache by knowing exactly where to look for the information you require, with little time or expense.