

ROUNDING CASH PAYMENTS? DON'T MAKE THIS SALES TAX MISTAKE

With the U.S. Treasury ending penny production in 2025, some businesses may begin rounding cash transactions to the nearest nickel due to limited penny circulation. The Massachusetts Department of Revenue recently clarified that sales tax must still be calculated and remitted based on the exact sales price before any rounding occurs.

▶ **What this means for restaurants:** Even if a cash transaction is rounded up or down to the nearest nickel, the amount of sales tax owed remains unchanged and should reflect the exact tax calculated on the original transaction total. Restaurants should ensure their POS systems and cash handling policies remain compliant with DOR guidance.

▶ **Deeper Dive:** Please click [here](#) to read more information from the Massachusetts Department of Revenue.