

This Week in State Tax (TWIST)

January 26, 2026



The Rounding Roundup – States providing guidance for a penniless world

In response to the federal phase-out of the penny, states are continuing to provide guidance for taxpayers on handling the application of sales tax to transactions that require rounding because of the inability to make exact change. We will continue to track these through TWIST, providing a list of the states as well as links to where you can find the direct guidance.

State	Guidance
Florida	Tax Information Publication 25A01-18
Georgia	Policy Bulletin SUT 2025-02
Iowa	Sales Tax Rounding
Kentucky	Penny Shortage
Michigan	Sales and Use Tax Notice Regarding Federal Phase Out of the Penny
New Jersey	Cash Transaction Rounding Guidance Due to Penny Supply Changes
North Carolina	Sales and Use Tax Directive 26-1
Tennessee	End of Penny Production

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