



ECONOMIC NEXUS

As a result of the Supreme Court ruling in South Dakota v. Wayfair, online sellers now need to consider sales tax obligations in state that have a sales tax nexus statute.

Here are the current sales tax nexus laws and thresholds that require you to collect sales as of July 1, 2018. Note that state laws can change, so contact us if you need to know the most current information.

Alabama-If you sell over \$250,000 to AL customers based on the previous calendar year

California-While CA does not have a specific sales tax nexus standard, it has adopted economic nexus standards to define "doing business in the state" If you have sales of more than \$500,000 to CA customers during a calendar year or if sales to CA customers constitutes more than 25% of gross sales, the business is subject to state level taxation, including sales tax in CA.

Connecticut- If you sell more than \$250,000 to CT customers AND have more than 200 transactions to CT customers in the previous calendar year. Law goes into effect 12/1/2018

Georgia- If you sell more than \$250,000 to GA customers or have more than 200 transactions to GA customers in the current or previous calendar year. Law goes into effect 1/1/2019

Hawaii- If you sell more than \$100,000 to HI customers or have more than 200 transactions to HI customers in the current or previous calendar year. NOTE Hawaii has a gross receipts tax.

Illinois- If you sell over \$100,000 to IL customers or have more than 200 transactions to IN customers in the previous calendar year

Indiana- If you sell over \$100,000 to IN customers or have more than 200 transactions to IL customers in the previous twelve months. Law goes into effect 10/1/2018

Iowa- If you sell more than \$100,000 to IA customers or have more than 200 transactions to IA customers in the current or previous calendar year. Law goes into effect 1/1/2019

Louisiana-If you sell over \$100,000 to LA customers AND have more than 100 transactions to MA customers in the previous calendar year

Massachusetts- If you sell over \$500,000 to MA customers or have more than 200 transactions to IN customers in the previous calendar year

Kentucky-If you sell more than \$100,000 to KY customers or have more than 200 transactions to KY customers in the current or previous calendar year

Maine- If you sell more than \$100,000 to ME customers or have more than 200 transactions to ME customers in the current or previous calendar year

Mississippi-If sales to MS customers exceeds \$250,000 in any prior twelve months.

New York- While NY does not have a specific sales tax nexus standard, it has adopted economic nexus standards to define "doing business in the state" If you have sales of more than \$1,000,000 to NY customers during a calendar year or if sales, the business is subject to state level taxation, including sales tax in NY.

North Dakota- If you sell more than \$100,000 to ND customers or have more than 200 transactions to ND customers in the current or previous calendar year

Ohio- If you sell over \$500,000 to OH customers based on the current or previous calendar year

Oklahoma-If you sell \$10,000 to OK customers in the previous twelve months Oklahoma offers the option to collect and remit sales tax or report the detail of all sales to OK customers.

Pennsylvania- If you sell \$10,000 to PA customers in the previous twelve months Pennsylvania offers the option to collect and remit sales tax or report the detail of all sales to PA customers

Rhode Island- If you sell more than \$100,000 to RI customers or have more than 200 transactions to RI customers in any calendar year. Rhode Island offers the option to collect and remit sales tax or report all un-collected sales tax to RI customers.

Tennessee- If you sell over \$500,000 to TN customers based on the previous twelve months

South Dakota- If you sell more than \$100,000 to SD customers or have more than 200 transactions to SD customers in any calendar year

Vermont- If you sell more than \$100,000 to VT customers or have more than 200 transactions to VT customers in the previous 12 months

Washington- If you sell \$10,000 to WA customers in the previous twelve months Washington offers the option to collect and remit sales tax or report the detail of all sales to WA customers.

Wisconsin- If you sell more than \$100,000 to WI customers or have more than 200 transactions to WI customers annually. Expected to be effective 10/1/2018.

Wyoming- If you sell over \$100,000 to WY customers in the previous calendar year

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