

SALES & USE TAX ECONOMIC NEXUS RULES:

States' Response to the *South Dakota v. Wayfair* Supreme Court Decision on June 21, 2018

Refer to the last column for further instructions regarding remittance instructions and sales tax rates. Info as of 3/1/19.

State	Does state require sales tax for internet retailers?	Sales Threshold	Transaction Threshold	Does one or both requirements need to be met?	Nexus time frame	Effective Date	State Guidance
1. Alabama	Yes	\$250,000 in retail sales	*	N/A	Previous calendar year's sales	October 1, 2018	10/1/2018 – Economic Nexus; 01/01/2019 – Marketplace provisions
2. Alaska	No						
3. Arizona	No						
4. Arkansas	No						
5. California	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Previous or current calendar year's sales	April 1, 2019	Special Notice L-591
6. Colorado	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Previous calendar year or the current calendar year	June 1, 2019 *grace period till May 31, 2019	News Release Colorado to require online retailers to collect sales tax (September 11, 2018)
7. Connecticut	Yes	\$250,000 in gross revenue	AND 200 or more transactions in the state	Both requirements must be met	12-month period ending on the September 30th immediately preceding the monthly or quarterly period for	December 1, 2019	Conn. Gen. Stat. § 12-407(a)(12) and (15)

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					which liability for tax is determined.		
8. Delaware	No						
9. District of Columbia	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Previous or current calendar year	January 1, 2019	OTR Notice 2019-02
10. Florida	No						
11. Georgia	Yes	\$250,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Previous calendar year or the current calendar year	January 1, 2019	Georgia Dept. of Rev., Policy Bulletin SUT-2018-07 (Oct. 1, 2018)
12. Hawaii	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Current or preceding calendar year	July 1, 2018	Hawaii Dept. of Taxation Announcements No. 2018-10 (06/27/2018)
13. Idaho	No						
14. Illinois	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Current or preceding 12-month period; must evaluate quarterly	October 1, 2018	ILCS Chapter 35 § 105/2
15. Indiana	Yes, but law is currently being <u>challenged</u> by the trade associations NetChoice and the American Catalog	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Current or preceding calendar year	October 1, 2018	Ind. Code § 6-2.5-2-1(c)

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	Mailers Association						
16. Iowa	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Current or preceding calendar year	January 1, 2019	Iowa Code § 423.14A as enacted by S. F. 2417 (2018)
17. Kansas	No						
18. Kentucky	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Current or preceding calendar year	October 1, 2018	Ky. Rev. Stat. Ann. § 139.340(2)(g)
19. Louisiana	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Current or preceding calendar year	January 1, 2019	La. Rev. Stat Ann § 47:301(4)(m)(i), as added by 2018 La. H.B. 17
20. Maine	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Current or preceding calendar year	July 1, 2018	Me. Rev. Stat. Ann. 36 § 1951-B(3)
21. Maryland	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Current or preceding calendar year	October 1, 2018	COMAR 03.06.01.33 Out-of-State Vendor, Md. Cmptrlr
22. Massachusetts	Yes	\$500,000 in gross revenue	100 or more transactions in the state	One requirement must be met	Previous calendar year	October 1, 2017	Mass. Regs. Code tit. 830, §64H.1.7
23. Michigan	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Previous calendar year	October 1, 2018	Michigan Revenue Administrative Bulletin 2018-16
24. Minnesota	Yes	\$100,000 in at least 10 retail transactions	100 retail sales	One requirement must be met	Previous 12 months	October 1, 2018	Minn. Stat. §297A.66
25. Mississippi	Yes	\$250,000 in gross revenue	*	N/A	Previous 12 months	September 1, 2018	Miss. Administrative Code §35.IV.3.09(100)

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26. Missouri	No						
27. Montana	N/A						
28. Nebraska	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Annually	January 1, 2019	Statement from the Nebraska Department of Revenue Regarding the South Dakota v. Wayfair United States Supreme Court Decision (July 27, 2018)
29. Nevada	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Current or preceding calendar year	November 1, 2018	<u>Nevada Dept. of Taxn., Statement from Taxation Director Bill Anderson Concerning Approval of New Out-of-State Seller Sales Tax Requirements (Sept. 27, 2018)</u>
30. New Hampshire	N/A						
31. New Jersey	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Current or prior calendar year	November 1, 2018	<i>Notice, New Jersey Division of Taxation, August 14, 2015</i>
32. New Mexico	No						
33. New York	Yes	\$300,000 in sales of tangible personal property	AND 100 or more transactions in the state	Both	Immediately preceding four quarter periods ending on the	June 21, 2018	N.Y. Tax Law §1101(b)(8); Notice N-19-1

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					last day of February, May, August, and November		
34. North Carolina	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Previous or current calendar year	November 1, 2018	North Carolina Sales and Use Tax Directive SD-18-6; N.C. Gen. Stat. §105-164
35. North Dakota	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Previous calendar year	October 1, 2018	N.D. Cent. Code § 57-39.2-02.2
36. Ohio	Yes, but law is being challenged; still enforced while being challenged.	\$500,000 in gross revenue	*	N/A	Current or preceding calendar year	January 1, 2018	Ohio Information Release ST 2001-01
37. Oklahoma	Yes	\$10,000 in gross revenue	N/A	One requirement must be met	Preceding 12 month calendar year	July 1, 2018	Okla. Stat. Ann. Tit. 68, § 1392, as added by HB 1019, Laws of 2018
38. Oregon	N/A						
39. Pennsylvania	Yes	\$100,000 in gross revenue	N/A	One requirement must be met	Preceding 12 month calendar year	July 1, 2019	Pa. Dept. of Rev., Remote Sellers
40. Rhode Island	Yes	\$100,000 in gross revenue	200 or more transactions in a state	One requirement must be met	Preceding 12 month calendar year	August 17, 2017	R.I. Gen Laws § 44-18.2-3
41. South Carolina	Yes	\$100,000 in gross revenue	N/A	N/A	Current or Previous calendar year	November 1, 2018	SC Revenue Ruling #18-4

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42. South Dakota	Yes	\$100,000 in gross revenue	200 or more transactions in a state	One	Current or Previous calendar year	November 1, 2018	11/1/2018- except for defendants in the South Dakota v. Wayfair case; 03/01/2019 – Marketplace provisions
43. Tennessee	Yes	\$500,000 in gross revenue	*	N/A	Previous 12 months	**	Tenn. Comp. R. & Regs. § 1320-05-01-.129(2)
44. Texas	No	\$500,000 in gross revenue	N/A	N/A	Preceding 12 calendar months	October 1, 2019	Tex. Admin. Code tit. 34 § 3.286
45. Utah	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Any 12-month period preceding the monthly tax period for determining sales and use tax liability.	January 1, 2019	2018 Utah S.B. 2001
46. Vermont	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Any 12-month period preceding the monthly tax period for determining sales and use tax liability.	July 1, 2018	Vt. Stat. Ann. 32 § 9701(9)(F) and (G)
47. Virginia	No						

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48. Washington***	Yes	\$100,000 in gross revenue****	200 or more transactions in the state	One requirement must be met	Current or Previous calendar year	October 1, 2018 unless meets notification requirements threshold	10/1/2018 or comply with current notification requirements if \$10,000 in sales****
49. West Virginia	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	During previous calendar year	January 1, 2019	West Virginia Administrative Notice 2018-18 (October 1, 2018)
50. Wisconsin	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Annually	October 1, 2018	Remote Sellers – Wayfair Decision (July 5, 2018)
51. Wyoming	Yes	\$100,000 in gross revenue	200 or more transactions in the state	One requirement must be met	Current or Previous calendar year	February 1, 2019	Wyo. Stat. § 39-15-501

* State has not adopted a quantitative transaction threshold but, instead, requires an additional connection, such as “cookie” nexus or “regular, systematic, and continuous solicitation.”

** Pending Tennessee General Assembly Review.

*** Beginning July 1, 2017, businesses with more than \$267,000 of yearly gross receipts sourced to Washington in 2017 (\$285,000 in 2018) or at least 25 percent of total yearly gross receipts sourced to Washington has nexus for retailing Business and Occupation (B&O) tax.

****Beginning January 1, 2018, remote sellers and marketplace facilitators making \$10,000 or more in retail sales to Washington purchasers must either 1) register their business, and collect and submit sales/use tax on sales to Washington purchasers; or 2) follow the use tax notice and reporting requirements. Once a business exceeds the \$100,000 in retail sales, or 200 transactions as of October 1, 2018, the business no longer has a choice and must register and collect retail sales/use tax.