

SALES & USE TAX ECONOMIC NEXUS RULES FOR REMOTE SELLERS:

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

This chart summarizes thresholds and administrative enforcement dates for each state. States in gray either (i) do not impose sales/use tax, or (ii) have not publicly announced if or when they will enforce economic nexus.

| State | Sales | and/or | Transactions | Enforcement Date |
|----------------------|--------------------|--------|--------------|------------------|
| Alabama | \$250,000 | - | - | 10/1/2018 |
| Alaska | No state sales tax | | | |
| Arizona | \$100,000 | - | - | 10/1/2019 |
| Arkansas | \$100,000 | or | 200 | 7/1/2019 |
| California | \$500,000 | - | - | 4/1/2019 |
| Colorado | \$100,000 | - | - | 6/1/2019 |
| Connecticut | \$100,000 | and | 200 | 12/1/2018 |
| Delaware | No state sales tax | | | |
| District of Columbia | \$100,000 | or | 200 | 1/1/2019 |
| Florida | | | | |
| Georgia | \$100,000 | or | 200 | 1/1/2019 |
| Hawaii | \$100,000 | or | 200 | 7/1/2018 |
| Idaho | \$100,000 | - | - | 6/1/2019 |
| Illinois | \$100,000 | or | 200 | 10/1/2018 |
| Indiana | \$100,000 | or | 200 | 10/1/2018 |
| Iowa | \$100,000 | - | - | 1/1/2019 |
| Kansas | - | - | - | 10/1/2019 |
| Kentucky | \$100,000 | or | 200 | 10/1/2018 |
| Louisiana | \$100,000 | or | 200 | 1/1/2019 |
| Maine | \$100,000 | or | 200 | 7/1/2018 |
| Maryland | \$100,000 | or | 200 | 10/1/2018 |
| Massachusetts | \$100,000 | - | - | 10/1/2017 |
| Michigan | \$100,000 | or | 200 | 10/1/2018 |
| Minnesota | \$100,000 | or | 100 | 10/1/2018 |
| Mississippi | \$250,000 | - | - | 9/1/2018 |
| Missouri | | | | |
| Montana | No state sales tax | | | |
| Nebraska | \$100,000 | or | 200 | 1/1/2019 |
| Nevada | \$100,000 | or | 200 | 11/1/2018 |
| New Hampshire | No state sales tax | | | |

| State | Sales | and/or | Transactions | Enforcement Date |
|----------------|--------------------|--------|--------------|------------------|
| New Jersey | \$100,000 | or | 200 | 11/1/2018 |
| New Mexico | \$100,000 | - | - | 7/1/2019 |
| New York | \$500,000 | and | 100 | 6/21/2018 |
| North Carolina | \$100,000 | or | 200 | 11/1/2018 |
| North Dakota | \$100,000 | - | - | 10/1/2018 |
| Ohio | \$100,000 | or | 200 | 1/1/2018 |
| Oklahoma | \$10,000 | - | - | 7/1/2018 |
| Oregon | No state sales tax | | | |
| Pennsylvania | \$100,000 | - | - | 7/1/2019 |
| Rhode Island | \$100,000 | or | 200 | 8/17/2017 |
| South Carolina | \$100,000 | - | - | 11/1/2018 |
| South Dakota | \$100,000 | or | 200 | 11/1/2018 |
| Tennessee | \$500,000 | - | - | 10/1/2019 |
| Texas | \$500,000 | - | - | 10/1/2019 |
| Utah | \$100,000 | or | 200 | 1/1/2019 |
| Vermont | \$100,000 | or | 200 | 7/1/2018 |
| Virginia | \$100,000 | or | 200 | 7/1/2019 |
| Washington | \$100,000 | - | - | 10/1/2018 |
| West Virginia | \$100,000 | or | 200 | 1/1/2019 |
| Wisconsin | \$100,000 | or | 200 | 10/1/2018 |
| Wyoming | \$100,000 | or | 200 | 2/1/2019 |

The "enforcement date" is when states are starting to require remote sellers to administer sales/use taxes. It does not take into account any use tax notification/reporting requirements.

The "sales and/or transaction thresholds" listed above take into account certain enacted legislative changes, including those effective at a future date. Some states have revised their "sales and/or transaction" thresholds—oftentimes to strike the "transaction threshold" or to align the "sales threshold" amount with South Dakota's \$100,000 threshold. For example: Oklahoma originally had a \$10,000 sales threshold, but it is increasing to \$100,000 effective November 1, 2019. Arizona's sales threshold was initially set at \$200,000, but it is being reduced to \$100,000 over time.

Note: In some states, the "sales threshold" is evaluated on a separate-company basis, while other states evaluate the threshold by including sales made by all affiliates. Marketplace facilitator laws also have bearing on whether the "sales threshold" is met in certain states. Consult with a BDO professional for more information.

This information is current as of August 2, 2019.



BDO'S SIX-STEP APPROACH TO SALES/USE TAX COMPLIANCE IN THE WAKE OF WAYFAIR



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