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States Enforcing Remote Sales Tax Collection

A June 2018 Supreme Court decision in *South Dakota v. Wayfair* eliminated a requirement that businesses must have a physical, brick-and-mortar presence or “nexus,” such as a warehouse, distribution center or storefront, located in a state in order to be subject to sales tax collection. As a result, more than half of the U.S. now has legislation in place that allows for collection of sales tax from out-of-state internet retailers, also called remote sellers. On April 1, California will join 28 states and the District of Columbia enforcing collection of remote sales tax.

Similar to other states’ laws, California will require every out-of-state retailer — with sales into the state that exceed \$100,000 or consist of at least 200 separate sales transactions into the state during the preceding or current calendar year — to register with the CDTFA and send sales tax payments to the state.

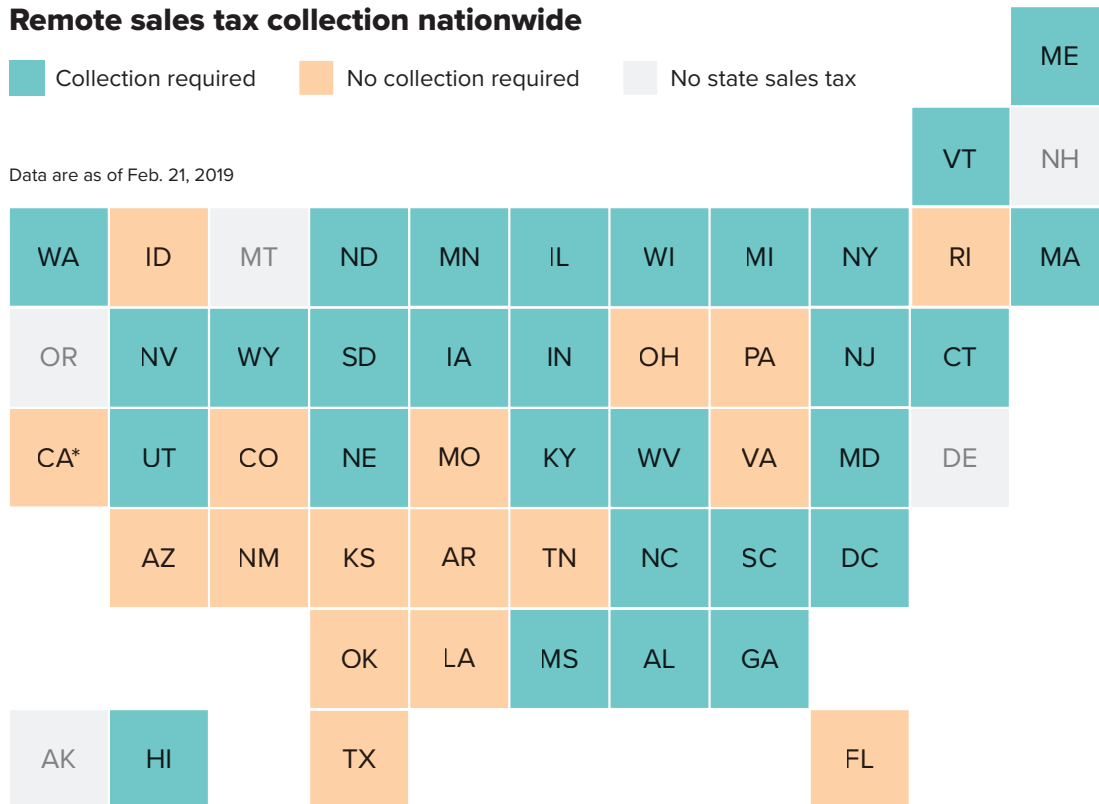
Remote sales tax collection nationwide

Collection required

No collection required

No state sales tax

Data are as of Feb. 21, 2019



*Requires remote sales tax collection beginning April 1.

Sources: National Conference of State Legislatures, California Department of Tax and Fee Administration

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