



Economic nexus reporting

This chart provides a general overview of each state's economic nexus position with respect to sales, income, franchise and gross receipts taxes. It is not intended to address all potential nexus-creating activities or specific taxpayer situations, such as the potential impact of Public Law 86-272. This information is also limited to states' economic nexus positions affecting taxpayers in all industries, and does not account for positions that affect only one industry type (such as financial institutions). Because nexus determinations are highly fact-dependent, you should work with your Wipfli tax professional to ensure this information is appropriately applied to your specific situation. The information contained in this chart is not a substitute for professional consultation. In addition, the law is subject to change and you should verify whether it is current.

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Economic nexus reporting requirements – sales tax

The states listed in the table below have either enacted sales tax economic nexus filing requirements or are in the process of adopting reporting requirements either legislatively or through administrative rule as of **December 31, 2020, with the most recent changes noted in blue**. Keep in mind that the sales threshold may be defined differently from state to state. The sales threshold may be a combination of both taxable and exempt sales or taxable sales only.

This information is subject to frequent changes with either new states coming aboard or clarification as to start date for sales tax reporting requirements. Consult with Wipfli to ensure you are reviewing the most current information.

Requirements								
State	Effective date	Effective date treatment	Sales threshold	Separate test for number of transactions?	Year	Definition of sales threshold (taxable sales or all sales)	Conducts certain activities	Additional details
Alabama	10/1/2018	Prospective	Exceeds \$250,000	No transactions	Previous calendar year	\$250,000 includes exempt and taxable sales		Marketplace providers required to collect sales tax effective 1/1/2019. Always confirm collection responsibility with provider. Under Alabama's Simplified Sellers Use Tax (SSUT) election, eligible remote sellers may elect to collect, report and remit a flat 8% sellers use tax on all sales made into Alabama, rather than using the combined state and local rate applicable in each specific taxing jurisdiction. https://revenue.alabama.gov/sales-use/simplified-sellers-use-tax-ssut/
Alaska, various municipalities	Varies by jurisdiction (currently 2/4/2020 through 8/1/2020)	Prospective	Exceeds \$100,000	Yes, 100	Current or previous calendar year	All sales thresholds include exempt and taxable sales		Alaska does not have a state-level sales tax, but has many local taxing jurisdictions. On 1/6/2020, the Alaska Remote Seller Sales Tax Commission ("Commission") (https://arsstc.org/) passed its Uniform Code, which creates a framework for administering Alaska local sales taxes for both remote sellers and marketplace facilitators. The Commission has provided software that is used as a single access point for filing returns and remitting taxes: https://arsstc.munirevs.com/ . As of 8/1/2020, 30 out of Alaska's 106 local taxing jurisdictions have approved the Uniform Code, allowing remote sellers and marketplace providers to remit their local sales taxes through the Commission's central access point. http://arsstc.org/wp-content/uploads/2020/02/ARSSTC-Notice.pdf
Arizona	10/1/2019	Prospective	Tiered implementation: In 2019, exceeds \$200,000 In 2020, exceeds \$150,000 In 2021, exceeds \$100,000	No transactions	Current or previous calendar year	All sales thresholds include exempt and taxable sales		Remote sellers required to pay transactional privilege tax on sales in a tiered implementation over three years. For marketplace providers, sales threshold is \$100,000 (not tiered). Both remote sellers and marketplace facilitators eligible for some liability relief through 2021, if sellers make a tax error.
Arkansas	7/1/2019	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	Taxable sales		Marketplace providers required to collect sales tax effective 7/1/2019. Always confirm collection responsibility with provider. Per Arkansas DFA Opinion No. 20190501, threshold to collect and remit tax is based on taxable sales, but remote seller should retain suitable records to support exempt sales.

Economic nexus reporting requirements – sales tax

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Requirements								
State	Effective date	Effective date treatment	Sales threshold	Separate test for number of transactions?	Year	Definition of sales threshold (taxable sales or all sales)	Conducts certain activities	Additional details
California	4/1/2019 (state-level taxes); 4/25/2019 (district use taxes)	Retroactive to 4/1/2019	Exceeds \$500,000	Requirement eliminated	Current or previous calendar year	\$500,000 includes exempt and taxable sales		Governor signed bill on 4/25/2019. New law applies to marketplace providers as well. As of 4/25/2019, remote sellers were required to collect district use tax if, during the period from 1/1/2019 through 4/24/2019, their total combined sales of tangible personal property for delivery in California (not just in the district) exceeded \$500,000. https://www.cdtfa.ca.gov/formspubs/l684.pdf
Colorado 6/1/2019 and forward	6/1/2019	Prospective	\$100,000	Transaction threshold eliminated	Current or previous calendar year			Remote sellers are required to collect both 2.9% state tax and any local taxes administered by the state. Sellers with physical presence in Colorado are required to collect 2.9% state tax, any local taxes administered by the state and any self-collected local taxes for jurisdictions in which they have physical presence. Bill signed by governor to codify the state's destination sourcing rules for both in- and out-of-state sellers. Effective date for marketplace providers only, moved to 10/1/2019. Option of notice and reporting compliance in lieu of tax collection no longer available. On 6/1/2020, Colorado launched a new state and local sales tax filing portal called the Sales and Use Tax System (SUTS): https://colorado.munirevs.com/ . This portal allows taxpayers to remit sales taxes for all state-administered local taxing jurisdictions, as well as for those Home Rule jurisdictions that have chosen to use the system.
Colorado 12/1/2018 - 5/31/2019	12/1/2018	Prospective	\$100,000	Yes, 200	Current or previous calendar year			Remote sellers are required to collect both 2.9% state tax and any local taxes administered by the state on transactions sourced to Colorado buyers by destination. In-state sellers and sellers with physical presence in Colorado are required to collect 2.9% state tax, any local taxes administered by the state and any self-collected local taxes for jurisdictions in which they have physical presence. In-state sellers are still required to charge tax using origin sourcing, and are required to collect local tax for non-state administered localities, if there is nexus there. Those remote sellers who elect not to collect and remit until 6/1/2019 are subject to notice and reporting requirements in lieu of collection, and are subject to substantial penalties for noncompliance.

Economic nexus reporting requirements – sales tax

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State	Effective date	Effective date treatment	Sales threshold	Separate test for number of transactions?	Year	Definition of sales threshold (taxable sales or all sales)	Conducts certain activities	Additional details
Connecticut	7/1/2019	Prospective	Exceeds \$100,000	No. Combined sales and 200 transaction test.	12-month period ending on September 30th immediately preceding the monthly or quarterly period for which a person's sales tax liability is determined	\$100,000 includes exempt and taxable sales		Marketplace providers required to collect sales tax effective 12/1/2018. Always confirm collection responsibility with provider.
Connecticut	12/1/2018-6/30/2019	Prospective	Exceeds \$250,000	No. Combined sales and 200 transaction test.	12-month period ending on September 30th immediately preceding the monthly or quarterly period for which a person's sales tax liability is determined	\$250,000 includes exempt and taxable sales		Marketplace providers required to collect sales tax effective 12/1/2018. Always confirm collection responsibility with provider.
District of Columbia	1/1/2019	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Marketplace providers required to collect sales tax effective 4/1/2019 on all sales. Always confirm collection responsibility with provider.
Florida	N/A	N/A	Exceeds \$100,000	Yes, 200	Previous calendar year	TBD		On 11/30/2020, Florida Rep. Chuck pre-filed a Wayfair economic nexus bill (H.B. 15) for the 2021 legislative session. The legislation would impose sales tax nexus and collection obligations upon both remote sellers and marketplace facilitators, and would use a nexus threshold of either (1) more than \$100,000 of revenue from retail sales of tangible personal property delivered to a Florida location, or (2) 200 or more such sales, measured during the previous calendar year.
Georgia	1/1/2020	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	Retail sales		Effective immediately, Georgia has repealed option for out-of-state sellers option to report sales to state and notify customers of tax obligations, in lieu of collection and remittance of tax. Policy Bulletin SUT-2019-02 provides the effective dates for transitioning from the old, \$250,000 threshold with the notice/reporting option to the new, \$100,000 threshold. https://dor.georgia.gov/sales-tax-bulletin-remote-sellers-sales-and-use-tax-obligations . Marketplace facilitators are required to collect tax on remote sales as of 4/1/2020.
Georgia	1/1/2019 - 12/31/2019	Prospective	Exceeds \$250,000	Yes, 200	Current or previous calendar year	Retail sales		Effective immediately, Georgia has repealed option for out-of-state sellers option to report sales to state and notify customers of tax obligations, in lieu of collection and remittance of tax. Marketplace facilitators are required to collect tax on remote sales as of 4/1/2020.
Hawaii	7/1/2018	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Marketplace facilitators are required to collect tax on remote sales as of 1/1/2020.

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State	Effective date	Effective date treatment	Sales threshold	Separate test for number of transactions?	Year	Definition of sales threshold (taxable sales or all sales)	Conducts certain activities	Additional details
Illinois	10/1/2018	Prospective	Exceeds \$100,000	Yes, 200 (both taxable and exempt)	Previous four quarters	\$100,000 includes exempt and taxable sales, if seller has both. If seller has exempt sales only, \$100,000 threshold does not apply but may have nexus due to number of transactions.		<p>Note, to the extent ALL sales are exempt from sales tax, IDOR says no requirement to register and file returns. Marketplace facilitators are required to collect state-level tax on remote sales after 1/1/2020.</p> <p>On 9/1/2020, Illinois published a "Leveling the Playing Field for Illinois Retail Act" webpage with resources to help remote sellers and marketplace facilitators prepare for the 1/1/2021 implementation of destination sourcing for local taxes. These resources include state tax matrices, FAQs, registration examples and a "Leveling the Playing Field Retailer Flowchart". https://www2.illinois.gov/rev/research/taxinformation/sales/Pages/Level-the-Playing-Field.aspx</p> <p>Note that Illinois' 1/1/2021 implementation of destination sourcing affects only 1) sales made by a marketplace facilitator on behalf of any retailer, 2) sales made by a marketplace facilitator on behalf of itself, if not fulfilled from Illinois inventory and for which selling activities do not otherwise occur in Illinois, and 3) non-marketplace sales of a remote seller (a seller with no physical presence in Illinois) that has Wayfair nexus in Illinois.</p>
<p>Illinois – Three bills change significantly the reporting and collection obligations of, and options available to, remote sellers.</p> <p>First bill (S.B. 689, P.A. 101-0009):</p> <ul style="list-style-type: none"> Requires marketplace providers to collect and remit taxes on behalf of retailers who use those platforms, with effective date of 1/1/2020. Absolves remote sellers of any liability related to mistakes made by marketplace providers who are collecting and remitting the tax on behalf of the remote sellers. <p>Second bill (S.B. 690, P.A. 101-0031):</p> <ul style="list-style-type: none"> Permits certified service providers (CSPs) to complete tax collection, reporting and remittance functions for out-of-state retailers at no cost to those out-of-state retailers, with effective date of 7/1/2020. Sellers would pay nothing for the service but CSPs would be allowed to retain 1.75% of their tax collections as compensation. Requires remote sellers to collect taxes at the local level (up to an additional 4.75% above state rate). Currently, remote sellers are required only to collect sales tax at the state rate. Effective 7/1/2020. NOTE: this effective date was moved to 1/1/2021 by S.B. 119. Requires remote sellers to collect and remit under the retailers' occupation tax act, rather than the use tax act. Remote sellers would be liable for any locally imposed retailers' occupation tax, based on location of delivery. Effective 7/1/2020. NOTE: this effective date was moved to 1/1/2021 by S.B. 119. <p>Third bill (S.B. 119, P.A. 101-0604):</p> <ul style="list-style-type: none"> Moves the deadline for remote retailers to begin collecting local taxes (i.e., to use destination sourcing for local taxes) from 7/1/2020 to 1/1/2021. Requires marketplace facilitators to begin collecting local taxes (i.e., to use destination sourcing for local taxes) effective 1/1/2021. <p>Governor signed S.B. 689 on 6/5/2019 and S.B. 690 on 6/28/2019. Governor signed S.B. 119 on 12/13/2019.</p>								
Idaho	6/1/2019	Prospective	Exceeds \$100,000	No transaction test	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Idaho retailers with a physical presence in state that are also marketplace providers must register for a separate permit for any third party marketplace sales, effective 6/1/2019.
Indiana	10/1/2018	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Indiana has enacted legislation with marketplace nexus provisions effective 7/1/2019. Required to collect tax if the facilitator meets Indiana's economic nexus threshold.
Iowa	1/1/2019	Prospective	Exceeds \$100,000	Yes, 200 through 6/30/2019. Requirement eliminated, effective 7/1/2019.	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Marketplace providers required to collect sales tax effective 1/1/2019. Always confirm collection responsibility with provider.

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Kansas	10/1/2019	Prospective	No threshold; ALL Kansas sales make remote seller liable for any taxable sales included therein.	None; ANY level of Kansas sales make remote seller liable for any taxable sales included therein.	TBD	No threshold; ALL sales are included		Kansas HB 2014 was re-introduced in an effort to impose a \$100,000 sales threshold as a safe harbor for small sellers; however, the bill was not addressed prior to the 6/4/2020 adjournment.
Kentucky	10/1/2018	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Kentucky has enacted legislation with marketplace nexus provisions effective 7/1/2019. Required to collect tax if the facilitator meets Kentucky's economic nexus threshold.
Louisiana	7/1/2020	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	\$100,000 includes exempt and taxable sales		<p>Louisiana is working on a collection and remittance system for remote retailers with a goal of having it up and running by 1/1/2019 (delayed). In July 2019, Louisiana enacted legislation requiring remote sellers meeting the state's threshold to register no later than 7/1/2020, and requiring the Louisiana Department of Revenue's Sales and Use Tax Commission for Remote Sellers to select an enforcement date. On 1/20/2020, the Department adopted rules that use an enforcement date of 7/1/2020. Under Louisiana's Direct Marketer election, eligible remote sellers may elect to collect, report and remit a flat 8.45% rate on all sales made into Louisiana, rather than using the combined state and local rate applicable in each specific taxing jurisdiction. While this registration used to be filed on Louisiana Form R-1031A, "Application to File Direct Marketer Sales Tax Return," it is now filed online: http://revenue.louisiana.gov/SalesTax/DirectMarketer.</p> <p>In Louisiana, marketplace facilitators are also required to collect tax, effective 7/1/2020 (S.B. 138). Always confirm responsibility with provider. Excluded from the definition of marketplace facilitators are: third-party payment processors, advertising services platforms, business reselling hotel rooms, certain lodging platforms and car rental businesses.</p>
Maine	7/1/2018	Retroactive to 7/1/2018 date and sellers will be on the hook for uncollected taxes	Exceeds \$100,000	Yes, 200	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Marketplace facilitators are required to collect tax on remote sales as of 10/1/2019.
Maryland	10/1/2018	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Marketplace nexus effective 10/1/2019. Always confirm responsibility with provider.

Economic nexus reporting requirements – sales tax

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State	Effective date	Effective date treatment	Sales threshold	Separate test for number of transactions?	Year	Definition of sales threshold (taxable sales or all sales)	Conducts certain activities	Additional details
Massachusetts 10/1/2019 and forward	10/1/2019	Prospective	Exceeds \$100,000	No	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Economic nexus and marketplace facilitator provisions signed into law on 7/31/2019 with an effective date of 10/1/2019. Sales threshold for marketplace providers also \$100,000 in a calendar year. Cookie nexus has now been eliminated with the new reporting thresholds.
Massachusetts 10/1/2017 - 9/30/2019	10/1/2017 - 9/30/2019	Retroactive to 10/2017	Exceeds \$500,000	No. Combined sales and 100 with respect to transaction tests.	For the period beginning 10/1/2017 through 12/31/2017, if during the preceding 12 months. For each calendar year beginning with 2018, if during the preceding calendar year.	\$500,000 includes exempt and taxable sales	Cookie Nexus only	
Michigan	10/1/2018	Prospective	Exceeds \$100,000	Yes, 200	Previous calendar year	\$100,000 includes exempt and taxable sales		Marketplace facilitators are required to collect tax on remote sales as of 1/1/2020.
Minnesota EXPANDED PROVISION	10/1/2019	Prospective	Exceeds \$100,000 (still excludes sales for resale). Eliminates de minimis standard of \$10,000 of taxable sales.	Yes, would be increased to 200 (still excludes sales for resale).	12 consecutive months	\$100,000 sales and 200 or more transactions includes retail sales only; exclude all sales for resale when determining thresholds but include sales exempt by statute (e.g. clothing)		Remote retailer or marketplace provider required to collect no more than 60 days after exceeding one of the thresholds. Once registered also required to collect and remit for the 12 months following registration. Department issued Revenue Notice 19-03, in which it takes position that a retailer or marketplace provider has sufficient physical presence nexus in state when it conducts business activity on at least four days during a 12-month period.
Minnesota	10/1/2018 - 9/30/2019	Prospective	10 or more transactions totaling \$100,000 or more (excludes sales for resale)	Yes, 100 (excludes sales for resale)	12 consecutive months	\$100,000 sales/10 transactions and 100 or more transactions includes retail sales only; exclude all sales for resale when determining thresholds but include sales exempt by statute (e.g. clothing)		Marketplace providers required to collect sales tax effective 10/1/2018. Always confirm collection responsibility with provider.
Mississippi	9/1/2018	Prospective	Exceeds \$250,000	No	Previous 12-month period	\$250,000 includes exempt and taxable sales		Marketplace facilitators are required to collect sales tax effective 7/1/2020 (Mississippi H.B. 379). Always confirm collection responsibility with the provider. Third-party food delivery services are not included in the definition of a marketplace facilitator.

Requirements								
State	Effective date	Effective date treatment	Sales threshold	Separate test for number of transactions?	Year	Definition of sales threshold (taxable sales or all sales)	Conducts certain activities	Additional details
Missouri	TBD	TBD	Exceeds \$100,000	TBD	TBD	TBD		On 11/8/2020, Missouri Rep. Love introduced a Wayfair economic nexus bill (H.B.2) that would impose use tax nexus for remote sellers and sales tax collection obligations for marketplace facilitators. Effective 1/1/2022, this legislation would impose sales tax nexus and collection obligations upon both remote sellers and marketplace facilitators, and would use a nexus threshold of at least \$100,000 of revenue from sales of tangible personal property and digital goods and services to purchasers for storage, use, or consumption in Missouri, measured during the current or previous calendar year. H.B. 2 would also permit (but not require) Missouri to participate in the Streamlined Sales and Use Tax Agreement (SSUTA) as a nonmember state, which would permit remote sellers to use certified service providers (CSPs). On 12/1/2020, Missouri Rep. Porter prefiled a Wayfair economic nexus bill (H.B. 244), with provisions that are substantially similar to H.B. 2.
Nebraska	1/1/2019	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	\$100,000 retail sales (all sales other than resale)		Legislation enacted to codify previously advised remote seller requirements plus effective 4/1/2019 Marketplace facilitators are now required to collect and remit sales tax on behalf of sellers using their platforms.
Nevada	10/1/2018	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Marketplace facilitators are required to collect tax on remote sales as of 10/1/2019.
New Jersey	11/1/2018	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Marketplace providers required to collect sales tax effective 11/1/2018. Always confirm collection responsibility with provider.
New Mexico	7/1/2019	Prospective	Exceeds \$100,000	No	Previous calendar year	\$100,000 includes exempt and taxable sales		Local taxes would require collection after two years, as New Mexico would need to change sourcing to buyer's location, rather than that of seller. New Mexico has enacted legislation with marketplace nexus provisions effective 7/1/2019. Required to collect tax if the facilitator meets New Mexico's economic nexus threshold. On 12/5/2020, New Mexico reminded taxpayers that, effective 7/1/2021, the state will adopt destination-based sourcing under its' gross receipts tax.

Economic nexus reporting requirements – sales tax

Requirements								
State	Effective date	Effective date treatment	Sales threshold	Separate test for number of transactions?	Year	Definition of sales threshold (taxable sales or all sales)	Conducts certain activities	Additional details
New York	6/21/2018 (date of the Wayfair decision)	Retroactive	Exceeds \$500,000 in sales of tangible personal property and more than 100 sales	No. Combined sales AND 100 transaction tests.	Immediately preceding four sales tax quarters	\$500,000 includes exempt and taxable sales		11/5/2019 Technical Memorandum clarifies that legislation from 6/24/2019, which raised threshold from \$300,000 to \$500,000, has retroactive effective date of 6/21/2018 (date of the Wayfair decision). Marketplace providers required to collect sales tax effective 6/1/2019 with threshold of \$500,000 and 100 transactions. **5/31/2019 Technical Memorandum clarifies that services (i.e. transportation/ other services, restaurant food, hotel occupancy or admissions to places of amusement) are not included in the definition of gross sales for purposes of determining filing responsibility of a marketplace provider. The same definition of gross sales would also apply to a remote seller.
New York	1/15/2019-5/31/2019	Prospective	Exceeds \$300,000 in sales of tangible personal property and more than 100 sales	No. Combined sales AND 100 transaction tests.	Immediately preceding four sales tax quarters	\$300,000 includes exempt and taxable sales		Marketplace providers required to collect sales tax effective 6/1/2019 with threshold of \$500,000 and 100 transactions. **5/31/2019 Technical Memorandum clarifies that services (i.e. transportation/ other services, restaurant food, hotel occupancy or admissions to places of amusement) are not included in the definition of gross sales for purposes of determining filing responsibility of a marketplace provider. The same definition of gross sales would also apply to a remote seller.
North Carolina	11/1/2018	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Marketplace providers required to collect sales tax effective 2/1/2020. Always confirm collection responsibility with provider. Effective 7/1/2020, food delivery services that act as marketplace facilitators are required to collect and remit local meal taxes in addition to sales taxes (H.B. 1080).
North Dakota	10/1/2018	Prospective	Exceeds \$100,000	Requirement eliminated after 12/31/2018	Current or previous calendar year	\$100,000 taxable sales		North Dakota indicated remote retailers must register and collect by the later of 10/1/2018 or 60 days after the remote retailer meets the small-seller exception threshold. North Dakota has enacted legislation with marketplace nexus provisions effective 10/1/2019. Required to collect tax if the facilitator meets North Dakota's economic nexus threshold.
Ohio	8/1/2019	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Marketplace facilitators subject to same thresholds, with same effective date.
Ohio EXPANDED PROVISION	1/1/2018 - 7/31/2019	Effective 1/1/2018 to 7/31/2019	Exceeds \$500,000	No	Current or previous calendar year	\$500,000 includes exempt and taxable sales	Cookie Nexus only	Litigation pending. Cookie nexus replaced with economic nexus standards.
Oklahoma 11/1/2019 and forward	11/1/2019 and forward	Prospective	Increased to at least \$100,000 in taxable merchandise	No	Current or previous calendar year	Taxable sales		Need to register in first calendar month following month in which threshold is met.
Oklahoma 7/1/2018 - 10/31/2019	7/1/2018 - 10/31/2019	Prospective	At least \$10,000 in taxable merchandise	No	Prior 12 months	Taxable sales		Marketplace providers required to collect sales tax effective 7/1/2018. Always confirm collection responsibility with provider.

Economic nexus reporting requirements – sales tax

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Pennsylvania EXPANDED PROVISION	7/1/2019	Prospective	Exceeds \$100,000	No	Prior 12 months on a calendar year basis	\$100,000 includes exempt and taxable sales		Marketplace providers required to collect sales tax effective 7/1/2019. Always confirm collection responsibility with provider.
Pennsylvania Act 43 Enacted in 2018	4/1/2018; 4/1/2019 for digital goods and electronic tangible personal property	Retroactive to 4/1/2018 for taxable sales other than digital goods or electronic tangible personal property.	Exceeds \$10,000	No	Previous calendar year	\$10,000 taxable sales		Marketplace providers required to collect sales tax effective 4/1/2018. Always confirm collection responsibility with provider.
<p>Pennsylvania – Act 43 Enacted in 2018: The provisions of Act 43 remain valid law applicable to those vendors who have neither a physical presence nexus, nor an economic nexus in Pennsylvania. The act states:</p> <ul style="list-style-type: none"> • All marketplace facilitators and online sellers who have economic nexus (e.g. Pennsylvania annual gross sales of greater than \$100,000) must now register, collect and remit Pennsylvania sales tax. • Marketplace facilitators and online sellers with annual Pennsylvania taxable sales of greater than \$10,000 but less than \$100,000 in total sales are required to make an election to: <ol style="list-style-type: none"> 1. Register to collect and remit Pennsylvania sales tax. 2. Comply with tax notification and reporting requirements. 								
Rhode Island EXPANDED PROVISION	7/1/2019	Prospective	Exceeds \$100,000	Yes, 200	Previous calendar year	\$100,000 includes exempt and taxable sales		Not dependent on cookie nexus and removes option for notice/reporting of customer purchases in lieu of registration/collection.
Rhode Island Original Provision Enacted in 2017	8/17/2017	Retroactive	Exceeds \$100,000	Yes, 200	Previous calendar year	\$100,000 includes exempt and taxable sales	Cookie Nexus	Marketplace providers required to collect sales tax effective 8/17/2018. Always confirm collection responsibility with provider.
<p>Rhode Island – House Bill 5278 enacted in 4/2019. Rhode Island has now enacted legislation with new economic nexus and marketplace nexus provisions. Under legislation that was previously enacted on 8/3/2017 has special rules that will still apply from 8/17/2017 through 6/30/2019:</p> <ul style="list-style-type: none"> • 2019 Legislation: All marketplace facilitators and online sellers who have economic nexus (e.g. Rhode Island annual gross sales of greater than \$100,000 or greater than 200 transactions) must now register, collect and remit Rhode Island sales tax. • 2017 Legislation: Marketplace facilitators and online sellers with cookies nexus and annual Rhode Island taxable sales of greater than \$100,000 in total sales or greater than 200 transactions are required to make an election to do one of the following: <ul style="list-style-type: none"> - Register to collect and remit Rhode Island sales tax. - Comply with tax notification and reporting requirements. 								
South Carolina	11/1/2018	Prospective	Exceeds \$100,000	No	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Governor signed bill on 4/26/2019 that imposes collection requirement on marketplace facilitators who facilitate more than \$100,000 in third-party sales. Always confirm collection responsibility with provider.
South Dakota	11/1/2018	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Marketplace providers required to collect sales tax effective 3/1/2019. Always confirm collection responsibility with provider.
Tennessee	10/1/2019 - 9/30/2020	Prospective	Exceeds \$500,000	No	Prior 12 months	\$500,000 would include exempt and taxable sales		Tennessee enacted legislation on 5/21/2019 that authorizes the Department of Revenue to enforce its economic nexus rule, effective 7/1/2019. However the state will not require out of state seller to collect tax until 10/1/2019. Marketplace facilitators are required to collect tax on remote sales as of 10/1/2020.
Tennessee	10/1/2020	Prospective	Exceeds \$100,000	No	Prior 12 months	\$100,000 all retail sales, including exempt retail sales, but excluding sales other than resale		Marketplace facilitators are required to collect tax on remote sales as of 10/1/2020 (L. 2020, S.2932). The business tax economic nexus thresholds were not affected by this law and remain at \$500,000 of Tennessee sales.

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State	Effective date	Effective date treatment	Sales threshold	Separate test for number of transactions?	Year	Definition of sales threshold (taxable sales or all sales)	Conducts certain activities	Additional details
Texas	1/1/2019 with an enforcement date of 10/1/2019	Prospective	Exceeds \$500,000	No	Prior 12 months	\$500,000 includes exempt and taxable sales		Effective 10/1/2019, remote sellers will have option of collecting and remitting a single local tax rate of 1.75%, rather than complying with varying rates (from 0% - 2.0%) in 1,500+ local jurisdictions. In addition, marketplace providers are required to register and collect sales tax effective 10/1/2019 if the facilitator meets Texas's economic nexus threshold. On 12/14/20, Texas published an FAQ covering sales and use tax issues affecting remote sellers and marketplace providers.
Utah	1/1/2019	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Marketplace providers required to collect sales tax effective 10/1/2019. Always confirm collection responsibility with provider.
Vermont	7/1/2018	Retroactive	Exceeds \$100,000	Yes, 200	Prior 12 months	\$100,000 taxable sales		Marketplace facilitators are required to collect tax on remote sales as of 6/1/2019.
Virginia	7/1/2019	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Marketplace providers required to collect sales tax effective 7/1/2019. Always confirm collection responsibility with provider.
Washington	10/1/2018	Prospective	Exceeds \$100,000	Requirement eliminated, effective 3/14/2019	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Marketplace providers required to collect sales tax effective 1/1/2018. Always confirm collection responsibility with provider.
West Virginia	1/1/2019	Prospective	Exceeds \$100,000	Yes, 200	Previous calendar year	\$100,000 includes exempt and taxable sales		Marketplace providers required to collect sales tax effective 7/1/2019. Always confirm collection responsibility with provider.
Wisconsin	10/1/2018	Prospective	Exceeds \$100,000	Yes, 200	Current or previous taxable year for federal income tax purposes	\$100,000 includes both taxable and exempt sales. However, per the WDOR, a remote seller that is a wholesaler and only sells products for resale is not required to register for sales or use tax.		The Wisconsin Department of Revenue released an article in 2016 that describes when a marketplace and third-party seller may both be retailers and liable for tax on sales. Wisconsin passed Marketplace legislation, and effective date will be 10/1/2019. Effective 1/1/2020, marketplace providers are solely responsible for collection/remittance of tax on all sales facilitated on behalf of a marketplace seller. For sales made through 12/31/2019, both marketplace provider and third party seller may be liable on taxable sales. Unlike most states, Wisconsin has historically defined the period for measuring its economic nexus thresholds according to the seller's previous or current "taxable year for federal income tax purposes" rather than its previous or current calendar year. Wis. Stat. 77.51(13gm)(a), (d)1. On Jan. 17, 2020, 2019 A.B. 754 was introduced, which would use the seller's previous or current calendar year instead. It would also repeal the state's transaction-based threshold. On 4/1/2020, A.B. 754 failed to pass after being tabled by the Wisconsin Legislature.
Wyoming	2/1/2019	Prospective	Exceeds \$100,000	Yes, 200	Current or previous calendar year	\$100,000 includes exempt and taxable sales		Marketplace facilitators are required to collect tax on remote sales as of 7/1/2019.

Economic nexus reporting requirements – Income/franchise/gross receipts tax

The states listed in the table below use income/franchise/gross receipts tax economic nexus thresholds that fall into one of two categories. The first category consists of states that use a specific numeric threshold of in-state sales for measuring their nexus threshold, such as \$500,000. The second category consists of those states who subsequent to the *Wayfair* case have given public notice, whether through the enactment of a law, the publication of written guidance, or through the performance of widely-observed audit enforcement practices, of their assertion of nexus over companies who make any sales (no numeric threshold) into their state (see note [1]).

State	Effective date	Effective date treatment	Requirements					Additional details
			Sales threshold	Separate test for number of transactions?	Year	Definition of sales threshold (taxable sales or all sales)	Conducts certain activities	
Alabama	N/A	Taxable years beginning on or after 1/1/2015	\$500,000, or 25% of total sales (2015-2018) \$538,000, or 25% of total sales (2019 forward)	No	Entity's current taxable year	All sales		https://revenue.alabama.gov/individual-corporate/faq/corporate-income-tax/
California - State	N/A	Taxable years beginning on or after 1/1/2011	Sales threshold is an amount indexed annually for inflation, or 25% of total sales. For 2011, the threshold was \$500,000.	No	Entity's current taxable year	All sales		https://www.ftb.ca.gov/file/business/doing-business-in-california.html
California - San Francisco	N/A	Taxable years beginning on or after 1/1/2019	\$500,000	No	Entity's current taxable year	All sales		This nexus standard applies to the city's gross receipts tax, business registration fee, payroll expense tax, and commercial rents tax.
Colorado	N/A	Taxable years beginning on or after 1/1/2010	\$500,000, or 25% of total sales	No	Entity's current taxable year	All sales		Colo. Code Regs. 39-22-301.1.
Connecticut	N/A	Taxable years beginning on or after 1/1/2010	\$500,000	No	Entity's current taxable year	All sales		See Connecticut Information Publication IP 2010 (29.1) (12/28/2010).
Hawaii	N/A	Taxable years beginning after 12/31/2019	\$100,000	Yes, 200	Current or preceding calendar year	\$100,000 includes exempt and taxable sales		The Governor signed Act 221 (Senate Bill 495, S.D. 2, H.D. 1) on 7/2/2019. The business tax nexus threshold is identical to the sales tax nexus threshold. In Tax Information Release (TIR) 2020-05 (9/30/2020) , the Hawaii Department of Taxation asserted that any company that met the state's sales tax economic nexus threshold would not only have income tax nexus in the state, but would also be automatically ineligible for Public Law 86-272 protection.
Indiana	N/A	Taxable years beginning on or after 1/1/2019	Any: see note [1]	No	Entity's current taxable year	All sales		Indiana S.B. 563 (5/1/2019) revised the state's corporate income tax law to state that "income derived from Indiana shall be taxable to the fullest extent permitted by the Constitution of the United States ... regardless of whether the taxpayer has a physical presence in Indiana."

			Requirements					
State	Effective date	Effective date treatment	Sales threshold	Separate test for number of transactions?	Year	Definition of sales threshold (taxable sales or all sales)	Conducts certain activities	Additional details
Kentucky	N/A	2019	Any: see note [1]	No	Entity's current taxable year	All sales		In March 2019, the Department updated its website to include a Q&A section regarding whether or not its sales and use tax economic nexus thresholds applied to the state's corporate income tax or limited liability entity tax (LLET). The state concluded that they did not, and asserted that companies must file corporate or LLET returns if they have any amount of sales, property, or payroll in the state.
Maine	N/A	Proposed	\$500,000, or 25% of total sales	No	Entity's current taxable year	All sales		On 1/14/2020, Maine Rep. Ryan Tipping introduced LD 2100 (H.P. 1432), which would adopt a factor presence nexus standard and corresponding safe harbor under Maine's corporate income tax. https://www.wipfli.com/insights/articles/tax-updated-maine-service-provider-tax-and-income-tax-laws .
Massachusetts	N/A	Taxable years beginning on or after 1/1/2019	\$500,000	No	Entity's current taxable year	All sales		See 830 CMR 63.39.1(3)(d).
Michigan - State	N/A	Taxable years beginning on or after 1/1/2012	\$350,000	No	Entity's current taxable year	All sales	"Active solicitation" is also required, as defined by Michigan RAB 2013-9 (6/5/2013)	https://www.michigan.gov/documents/taxes/RAB2013-9_423463_7.pdf
Michigan - Detroit	A case addressing nexus for purposes of the Detroit corporate income tax was remanded to evaluate the impact of <i>Wayfair</i> . <i>Apex Laboratories Int'l Inc. v. City of Detroit</i> , Mich. Ct. App. Jan. 2, 2020. Tax Counsel for the City of Detroit strongly suspects that the Michigan Department of Treasury will follow the example of Pennsylvania when it comes to the application of <i>Wayfair</i> economic nexus precedent to state (and city) corporate income taxes.							
Minnesota	N/A	Taxable years beginning on or after 1/1/1986	Any: see note [1]	No	Entity's current taxable year	All sales		For many years, Minnesota has been widely known to have asserted revenue over companies with any amount of in-state revenue under Minn. Stat. 290.015 Subd. 1(b) and Subd. 1(c)(2) and (3).
New York - State	N/A	Taxable years beginning on or after 1/1/2015	\$1,000,000	No	Entity's current taxable year	All sales		This standard only applies to corporations.
Ohio	N/A	Taxable years beginning on or after 1/1/2005	\$500,000	No	Entity's current taxable year	All sales		This nexus standard applies to the Commercial Activity Tax.
Oregon - State	N/A	Taxable years beginning on or after 1/1/2020	\$750,000	No	Entity's current taxable year	All sales		Even though the Corporate Activity Tax (CAT) FAQs on Oregon's website assert that Oregon will apply a "Constitutional" nexus standard and not a "bright line" nexus standard, the fact that no Oregon CAT is owed for taxpayers with less than \$750,000 of Oregon receipts makes that assertion less significant.
Oregon - Portland	N/A	Taxable years beginning on or after 1/1/2019	\$500,000	No	Entity's current taxable year	"Retail revenue"		The Portland Clean Energy Community Benefits Initiative was enacted on 11/6/2018, which requires large retailers to pay a 1% surcharge on gross revenue from their Portland-sourced sales. It only applies to retailers with (1) a Portland Business License Tax, (2) more than \$500,000 in annual Portland revenue, and (3) more than \$1 billion in total annual revenue starting 1/1/2019.

Requirements								
State	Effective date	Effective date treatment	Sales threshold	Separate test for number of transactions?	Year	Definition of sales threshold (taxable sales or all sales)	Conducts certain activities	Additional details
Pennsylvania - State	N/A	Taxable years beginning after 12/31/ 2019	\$500,000	No	Entity's current taxable year	All sales		<p>On 9/30/2019, PA issued Corp. Tax Bulletin 2019-04 stating that, for tax periods starting on or after 1/1/2020, there will be a rebuttable presumption that corporations with no in-state physical presence, but who have PA-apportioned gross receipts of at least \$500,000, have a Corporate Net Income Tax (CNIT) filing requirement.</p> <p>On 8/6/2020, Pennsylvania updated this bulletin as follows: 1) Corporations with no in-state physical presence but with PA-apportioned gross receipts of at least \$500,000 that want to claim protection under Public Law 86-272 should file a PA corporate income tax report (Form RCT-101) including sufficient required information on Form REV-986 (P.L. 86-272 exemption) or attachments to permit PA-DOR to verify the company's tax liability and support the company's P.L. 86-272 position; 2) a pass-through entity (PTE) with non-filing corporate partners may be required to file Form PA-65 Corp. ("Directory of Corporate Partners") and withhold CNIT on those partners if the PTE has at least \$500,000 of PA-sourced receipts; 3) in measuring this \$500,000 threshold, both PTEs and corporations should consider not only their own PA receipts, but also their share of PA receipts from lower-tier PTEs.</p> <p>See https://www.revenue.pa.gov/GeneralTaxInformation/TaxLawPoliciesBulletinsNotices/TaxBulletins/CT/Documents/ct_bulletin_2019-04.pdf</p>
Pennsylvania - Philadelphia	N/A	Taxable years beginning after 1/1/2019	\$100,000	No	Any 12-month period ending in the current year	All sales		<p>This nexus standard applies to the Business Income and Receipts Tax ("BIRT"). See https://www.phila.gov/2018-11-20-philadelphia-revenue-economic-nexus-tax-regulation-wayfair-south-dakota/</p>
Tennessee	N/A	Taxable years beginning on or after 1/1/2016	\$500,000, or 25% of total sales	No	Entity's current taxable year	All sales		<p>This nexus threshold applies to the state's franchise, excise (net income), and business (gross receipts) taxes. This nexus threshold was unaffected by the reduction to Tennessee's sales tax economic nexus threshold from \$500,000 - \$100,000, which is effective on 10/1/2020.</p> <p>On 12/1/2020, Tennessee published an FAQ explaining that marketplace sellers should include sales receipts from sales facilitated through a marketplace when determining whether they meet the \$500,000 economic nexus threshold for business tax and franchise/excise tax purposes.</p>

			Requirements					
State	Effective date	Effective date treatment	Sales threshold	Separate test for number of transactions?	Year	Definition of sales threshold (taxable sales or all sales)	Conducts certain activities	Additional details
Texas - Franchise Tax	N/A	Franchise tax returns due on or after 1/1/2020	\$500,000	No	Entity's current taxable year	All sales		<p>Entities with a Texas sales/use tax permit are (rebuttably) presumed to have Franchise Tax nexus.</p> <p>On 11/20/20, Texas proposed changes to its' Franchise Tax nexus regulation (34 TAC 3.586) which, if approved, could not take effect until at least 1/3/2021. Among other things, this rule would (1) define the "gross receipts" used to measure the Franchise Tax's economic nexus threshold to mean "all revenue reportable by a taxable entity on its federal return, without deduction for the cost of property sold, materials used, labor performed, or other costs incurred", (2) clarify that even though limited partners do not have Franchise Tax nexus merely because their limited partnership is doing business in Texas, the limited partner may itself have economic nexus in Texas; and (3) clarify the beginning date for nexus for periods before 1/1/2019 vs. on or after 1/1/2019.</p>
Utah	N/A	Taxable years beginning on or after 1/1/2019	Any: see note [1]	No	Entity's current taxable year	All sales		<p>On 3/27/2019, Utah S.B. 28 was enacted, which provides that, for corporate income tax purposes, nexus can be created by "selling or performing a service" in Utah or "earning income from the use of intangible property" in Utah.</p>
Virginia	N/A	Since 1991	Any: see note [1]	No	Entity's current taxable year	All sales		<p>Since 1991, Va. Admin. Code 10-120-20(4)(A)(2) has asserted nexus over corporations who have a positive apportionment factor in the state.</p>
Washington - Business and Occupation Tax	N/A	6/1/10 - Service and other activities 9/1/15 - Wholesaling 7/1/17 - Retailing	2010 to 2012 - \$250,000 2013 to 2016 - \$267,000 2017 to 2019 - \$285,000 2020 forward - \$100,000	No	6/30/2017 or earlier: immediately preceding tax year 7/1/2017 or later: current or immediately preceding calendar year	All sales		<p>https://dor.wa.gov/sites/default/files/legacy/EconomicNexus/SummaryChartNexusThresholds.pdf</p>
Wisconsin	N/A	Many years	Any: see note [1]	No	Entity's current taxable year	All sales		<p>For many years, Wisconsin has been widely known to have asserted revenue over companies with any amount of in-state revenue under Wis. Admin. Code Tax 2.82(4)(a)(9m) and (10).</p>

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