

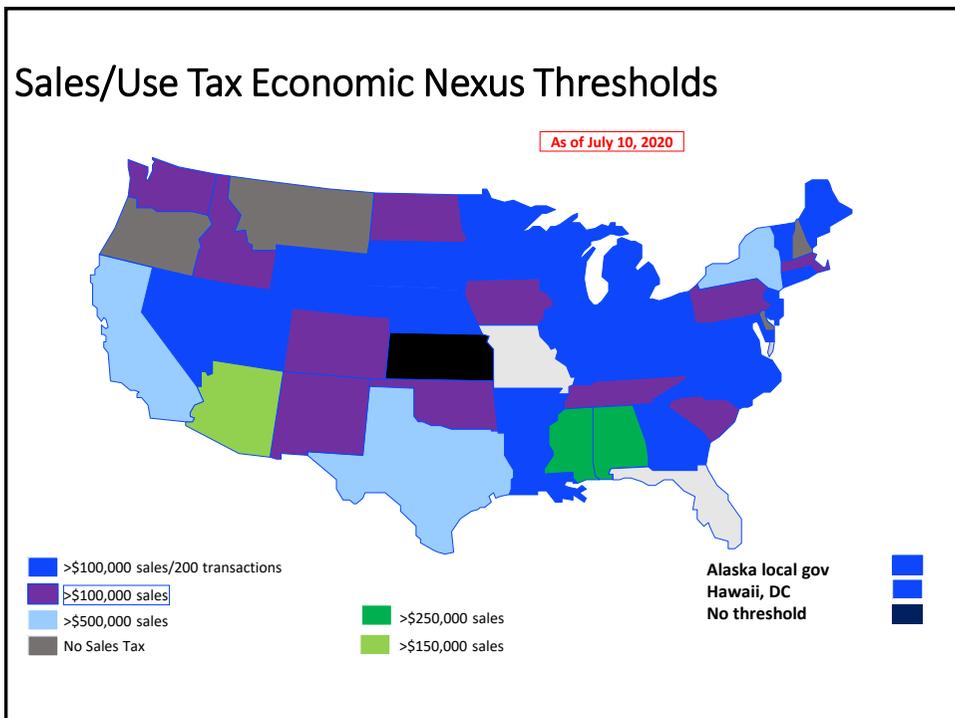
Sales/Use Tax Nexus Law Update since April 21, 2020

MTC Nexus Committee

July 28, 2020

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Economic nexus statutes 2020

Threshold >\$100,000 sales/yr.

Tennessee SB 2932 reduced economic nexus threshold from \$500,000 sales/prior 12 mos. (eff. 10/1/2019) to >\$100,000 sales/prior 12 mos. (eff. 10/1/2020)

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Streamlined Sales Tax

Although no additional states have joined the Streamlined Sales and Use Tax Agreement since *Wayfair*, Connecticut, Illinois, New Mexico and Pennsylvania have recently authorized use of Certified Service Providers. Pennsylvania has implemented.

The SST Governing Board has amended the SSUTA to adopt policies to encourage non-SST states to use its centralized registration and simplified electronic return system.

Website: www.streamlinedsalestax.org

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Local Sales Tax Simplification

Alabama Simplified Sellers Use Tax—flat 8% combined rate for remote sellers

Alaska Remote Seller Sales Tax Commission adopted its Uniform Code, centrally administering “home rule” local taxes of joining municipalities

Texas Comptroller—remote seller can elect to collect single local use tax rate (1.75% in 2020)

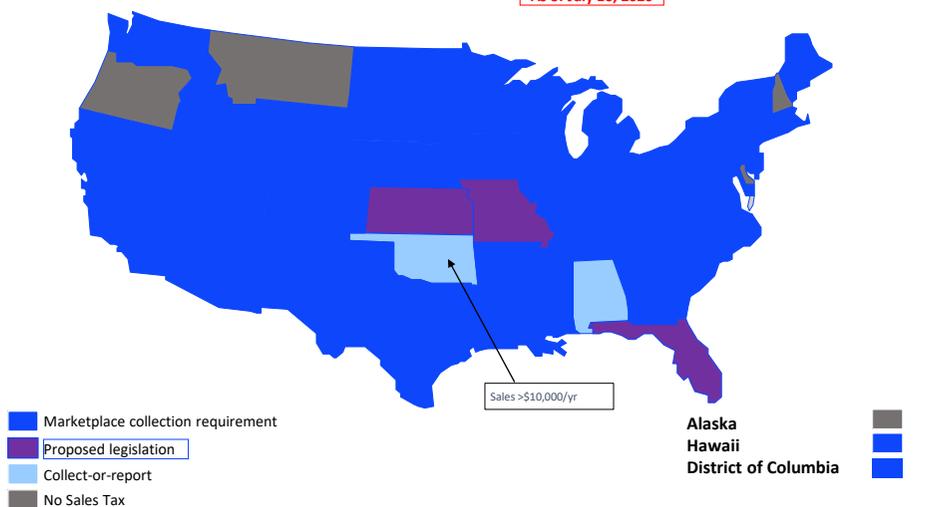
Colorado 2020 HB 1023 (awaiting Governor’s signature): creates geographic information data system to enable remote sellers to determine the proper local jurisdiction to which sales tax is owed; provides hold-harmless protection for sellers using the database in filing returns.

Louisiana eff. 7/1/20, remote sellers meeting economic nexus threshold required to collect applicable state and local sales/use tax (instead of flat 8.45% rate previously allowed) and file return with Louisiana Sales and Use Tax Commission for Remote Sellers

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Marketplace Collection Requirements... So far

As of July 10, 2020



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Marketplace Facilitator Collection Laws Enacted in 2020

- Georgia HB 276 eff. 4/1/2020
- Tennessee SB 2182 eff. 10/1/2020
- Louisiana SB 138 eff. 7/1/2020
- Mississippi HB 379 eff. 7/1/2020

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Laws enacted in 2020 extending marketplace facilitator collection to other taxes

Georgia HB 105 requires marketplace facilitator to collect excise tax on for-hire and shared ground transportation trips

North Carolina HB 1080 requires food delivery services to collect local meals taxes

Utah SB 114 exempts food delivery services from the marketplace facilitator collection and remittance requirements, effective 7/1/2020

Vermont H 954 requires marketplace facilitator to collect universal service charge on wireless telecommunications and prepaid wireless card sales

Virginia SB 735 requires car-sharing platforms to collect excise tax on peer-to-peer car sharing transactions

West Virginia SB 163 extends marketplace facilitator collection requirement to include local occupancy taxes

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MTC “White Paper” on Marketplace Facilitator Laws

Updated version dated July 6, 2020 to include most recent marketplace facilitator tax collection legislation enacted by Louisiana and Mississippi, replacing prior version dated April 10, 2020.

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NCSL Model Marketplace Facilitator Collection Legislation

- Approved by NCSL Executive Committee in January 2020
- Provisions included as appendix to MTC White Paper
- Influential on marketplace facilitator collection legislation enacted in 2020 (GA TN LA MS)

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