

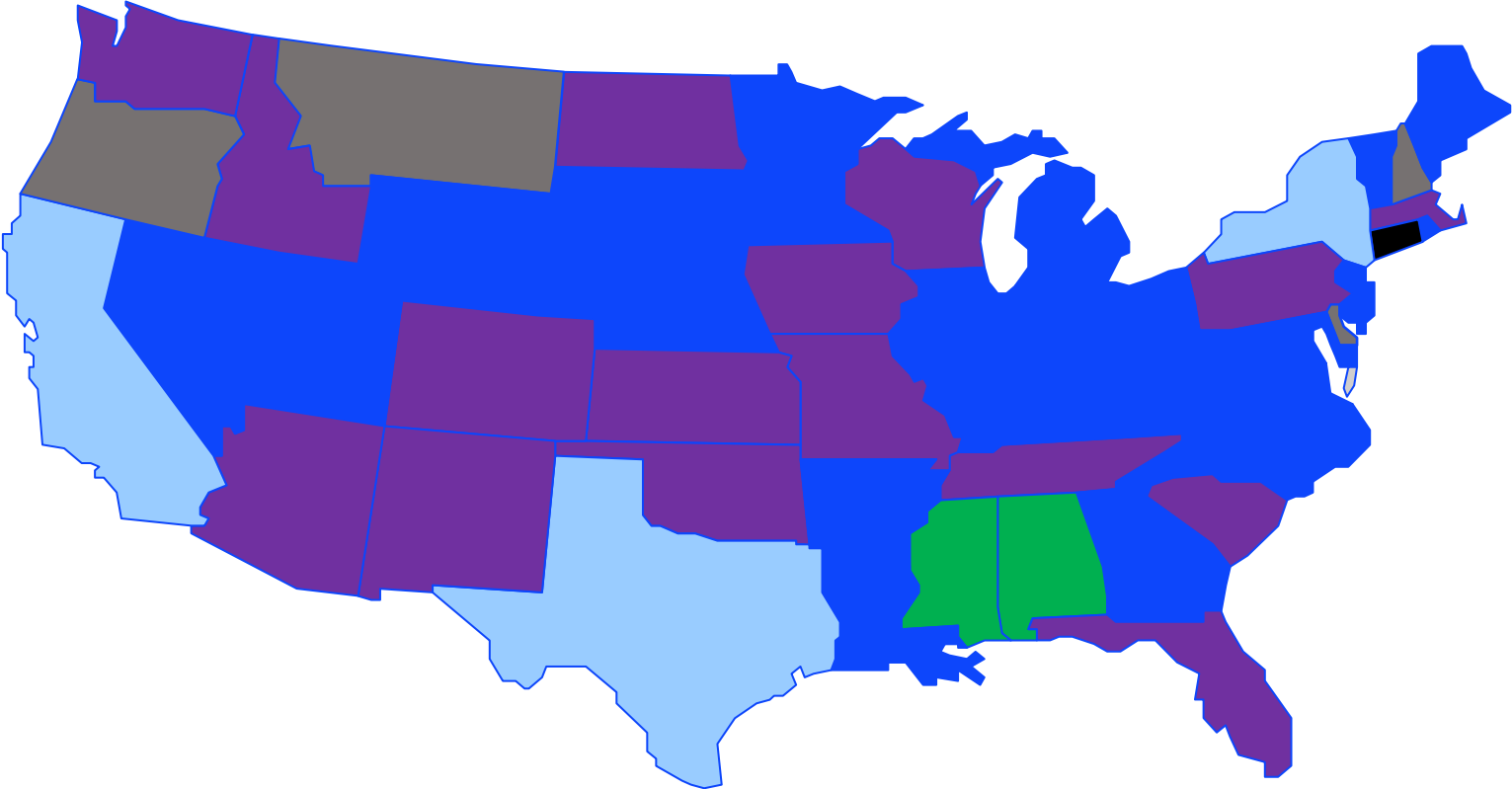
Sales/Use
Tax Nexus
Law Update

MTC Nexus Committee July 21, 2021

Richard Cram
Director, National Nexus Program
Multistate Tax Commission
rcram@mtc.gov
(202) 695 8139

Sales/Use Tax Economic Nexus Thresholds

As of July 1, 2021



- >\$100,000 sales/200 transactions
- >\$100,000 sales
- >\$500,000 sales
- No Sales Tax

>\$250,000 sales

Alaska local gov
Hawaii, DC
>\$100,000 & 200 trans
Note: MO eff 1/1/23



Sales/use tax economic nexus legislation 2021

Florida

Florida SB 50 signed by governor 4/19/2021, \$100,000 threshold, also marketplace facilitator collection, 911 tax collection, eff. 7/1/2021

Kansas

Governor's veto of SB 50 overridden 5/3/21 of Kansas SB 50, \$100,000 threshold eff. 7/1/2021, also marketplace facilitator tax collection, transient guest tax collection 1/1/2022; 911 fees collection eff. 4/1/2022

Maine

2021 H891, effective 7/1/2022, eliminated 200 transactions economic nexus threshold

Missouri

Missouri SB 153/97 \$100,000 threshold, also marketplace facilitator collection, both eff. 1/1/2023

Wisconsin

AB 2, section 115 enacted, repealing 200 transactions threshold.

Local Sales Tax Simplification

Alabama Simplified Sellers Use Tax—flat rate for remote sellers

Texas Comptroller—flat rate for remote sellers

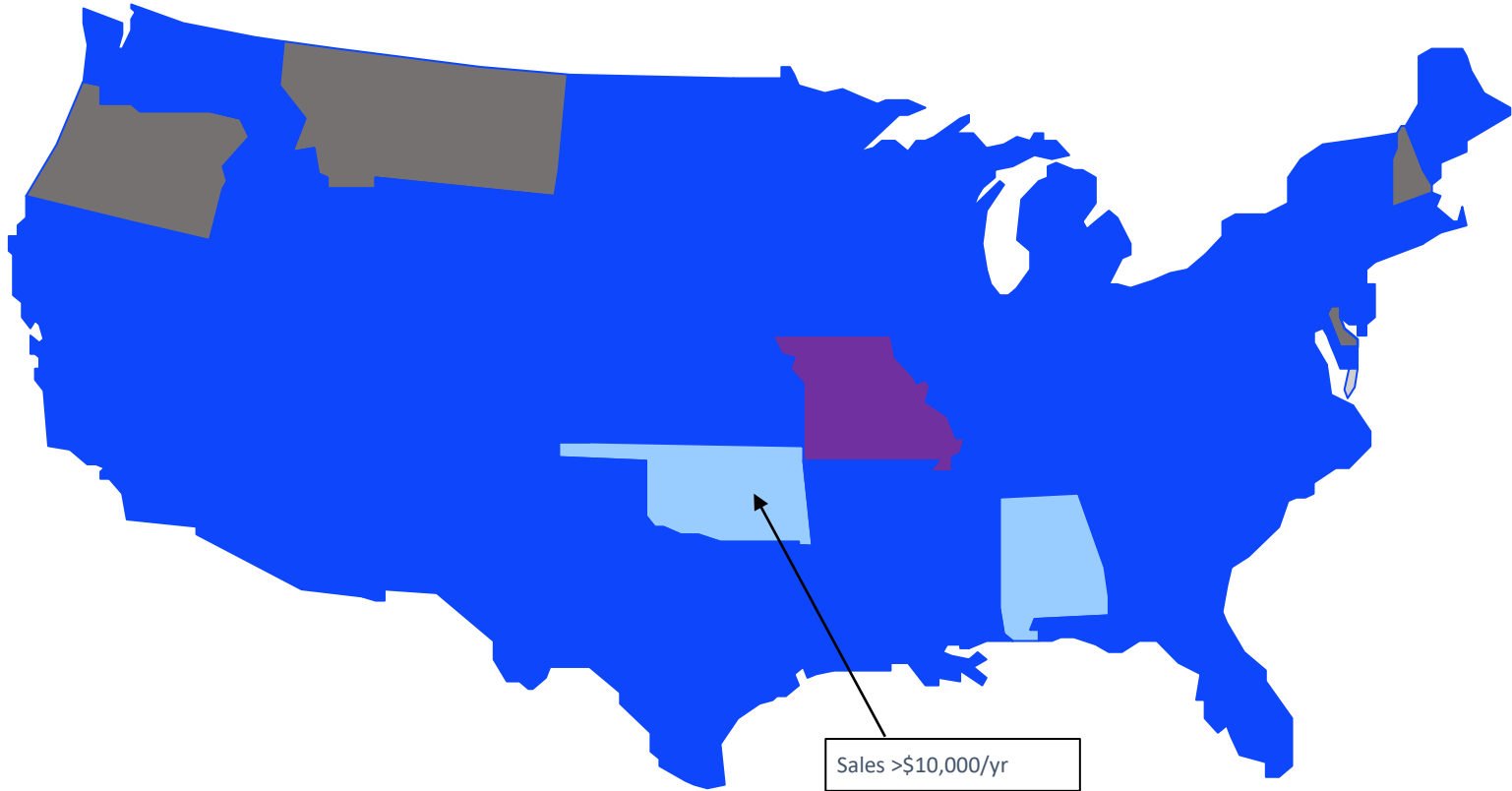
Alaska Remote Seller Sales Tax Commission--centralized administration of some “home rule” local taxes; eff. 2/1/21, Municipality of Anchorage adopted ARSSTC code for alcohol beverage sales tax. *Checkpoint*, State Tax Update 2/8/21





Colorado Department of Revenue--Sales and Use Tax System (SUTS), “one-stop” portal for remote sellers to file returns for state and participating “home rule” local jurisdictions. Two-thirds of home-rule munis have joined as 2/22/21. Destination sourcing is in effect 7/1/21 (exception for small businesses extended to 2/1/22).

Louisiana Sales and Use Tax Commission for Remote Sellers—centralized administration of “home rule” local taxes; HB 199 enacted: vote on 10/9/21 for constitutional amendment to centralize administration of local sales/use taxes.

Marketplace Collection Requirements

As of July 1, 2021



-  Marketplace collection requirement
-  Effective 1/1/23
-  Collect-or-report
-  No Sales Tax

Alaska
Hawaii
District of Columbia



Enacted bills in 2021 broadening marketplace facilitator tax collection

- **Arizona** SB 1720 imposing TPT on peer-to-peer car sharing programs
- **Connecticut** H6629 E911 fee eff. 7/1/2022
- **Florida** SB 50 \$100,000 threshold eff. 7/1/2021, E911 fee, waste tire fee, lead-acid battery fee eff. 4/1/2022
- **Georgia** HB 317 includes “marketplace facilitators” in definition of “innkeepers,” imposing obligation to collect \$5 hotel and motel fee eff. 7/1/2021
- **Kansas** SB 50 \$100,000 threshold eff. 7/1/2021, collect transient guest tax eff. 1/1/2022, collect E911 fees 4/1/2022, veto overridden 5/3/2021
- **Missouri** SB 153/97 \$100,000 threshold, collection eff. 1/1/2023
- **Montana** SB 52 imposing collection obligation on short-term rental markets for lodging facility use tax and sales tax on lodging and rental cars eff. 10/1/2021
- **Nevada** AB 363 lodging tax eff. 7/1/2022; SB 389 imposing fee collection duties on peer-to-peer car sharing programs eff. 10/1/2021
- **Oklahoma** SB 355 imposing vehicle rental tax on peer-to-peer car sharing platforms eff. 11/1/2021
- **Texas** SB 477 wireless 911 fee and lead-acid battery fee eff. 7/1/2022
- **West Virginia** SB 270 hotel occupancy tax eff. 1/1/2022
- **Wisconsin** Act 55 local room taxes eff. 7/1/2021

Bills enacted in 2021 amending marketplace laws

- **Arkansas Act 144**—removes reference to facilitating the sale of “digital magazines” from definition of “marketplace facilitator”
- **Illinois SB 2066**--excludes licensed auctioneers from the definition of “marketplace facilitator”