

Post-Wayfair Remote Seller State Economic Nexus Chart

Current as of July 11, 2023

State/ Jurisdiction	Effective Date (month /date/ year)	Sales Threshold (generally, greater than)	And/or Test?	Number of Separate Transactions (or retail sales)	Other Notes
Alabama	10/1/2018	\$ 250,000			Locally administered tax regimes exist as well.
Alaska					AK does not impose a state-level sales & use tax. However, it should be noted that local sales/use tax regimes do exist in AK; many localities have begun to be aggressive in this area. Currently, some are asserting economic nexus when statewide gross sales exceed \$100,000 or 200 transactions. See https://arsstc.org/ .
Arizona	10/1/2019	\$200,000 for 2019; \$150,000 for 2020; \$100,000 for 2021 & thereafter			AZ imposes a transaction privilege tax rather than a traditional sales tax. Threshold test is based on gross proceeds/income from AZ customers.
Arkansas	7/1/2019	\$ 100,000	Or	200	In late August 2019, the Revenue Legal Counsel's office opined that the thresholds are met only by taxable sales of goods or services.
California	4/1/2019	\$ 500,000			During preceding or current year; test currently looks to total combined sales of <u>tangible personal property</u> for delivery in CA. Local jurisdictional rules regarding use tax exist as well. For a period of time, CA used a \$100,000 or 200 transactions test, but this was updated on April 25, 2019.
Colorado	12/1/2018 (grace period ended 6/1/2019)	\$ 100,000			A customer reporting requirement exists in excess of \$100,000 in sales. Locally administered tax regimes exist as well. See https://www.cml.org/ (search for model ordinance). CO removed its 200 transactions threshold by permanent rule, effective April 14, 2019. The sale of exempt goods is included in determining whether an out-of-state retailer has met the economic nexus threshold.
Connecticut	12/1/2018	\$100,000 (see 'Other Notes' column for previous rule)	And	200	Legislation was passed in late June 2019 that lowered the sales prong of the test from \$250,000 to \$100,000 during the previous 12-month period, applicable to sales on or after July 1, 2019. Sales of services are now covered as well, in addition to sales of tangible personal property.
Delaware					DE does not impose a state-level sales & use tax.
District of Columbia	1/1/2019	\$ 100,000	Or	200	Initially enacted via emergency bill; permanent bill passed in late January of 2019.
Florida	7/1/2021	\$ 100,000			Legislation was signed in April of 2021. Note that the \$100,000 threshold <i>only applies to taxable sales of tangible personal property</i> delivered to customers in FL.
Georgia	1/1/2019	\$ 100,000	Or	200	The annual sales threshold was lowered to \$100,000 via legislation effective January 1, 2020; the "or 200 transactions" prong of the test remains. Prior to January 1, 2020, the threshold was \$250,000 or 200 transactions. Those who previously opted to comply with notice and reporting rules were required to begin to collect and remit by July 1, 2019.
Hawaii	7/1/2018	\$ 100,000	Or	200	In July of 2019, HI announced that the state's post-Wayfair standards will also be used for income tax purposes in tax years beginning after 2019; the sales factor numerator must also be \$100,000 or more. Note that P.L. 86-272 protection should still apply, if applicable.
Idaho	6/1/2019	\$ 100,000			
Illinois	10/1/2018	\$ 100,000	Or	200	
Indiana	10/1/2018	\$ 100,000	Or	200	
Iowa	1/1/2019	\$ 100,000			Thresholds capture both prior and current year activity. Note that the previously applicable 200 transactions prong of the test was eliminated via legislation that took effect July 1, 2019.

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Kansas	7/1/2021 (see 'Other Notes' column though)	\$ 100,000			Legislation was enacted in May of 2021. Previously, the state's August 2019 guidance states that, unlike other jurisdictions, all remote sellers were subject to a registration and collection responsibility, regardless of sales volume or the number of transactions. However, the state's Attorney General issued a conflicting opinion giving no legal force to the taxing authority's position on September 30, 2019. See AGO 2019-008. It remains to be seen whether there will be any attempts to enforce the previous rules for periods before July of 2021.
Kentucky	10/1/2018	\$ 100,000	Or	200	
Louisiana	7/1/2020	\$ 100,000	Or	200 (transactions prong will be removed on August 1, 2023)	Numerous parish and locally administered tax regimes exist as well, and efforts continue to centralize and streamline the rules in this area. Note that July 2023 legislation also changed the \$100,000 from gross sales to retail sales.
Maine	7/1/2018	\$ 100,000			Maine repealed its 200 transactions prong, effective 1/1/2022.
Maryland	10/1/2018	\$ 100,000	Or	200	All sales of tangible personal property, whether or not they are subject to tax, are counted towards the gross revenue or sales transaction threshold.
Massachusetts	10/1/2017 (previous rules - see 'Other Notes' column); 10/1/2019 (new rules contained in FY 20 budget)	\$100,000 (however, see 'Other Notes' column for previous rules)			Prior to October 1, 2019, economic nexus was currently only applicable to internet vendors with physical presence (including cookies, apps, in state servers). The standard prior to 10/1/2019, which the DoR is still seeking to enforce for prior periods, was \$500,000 and 100 qualifying transactions. However, note that the FY 20 budget signed by Governor Baker on July 31, 2019, enacted a new, lower standard of only \$100,000 in sales, effective 10/1/2019. Additionally, a final version of the updated corporate nexus regulation (830 CMR 63.39.1) was released on 10/18/2019 - not only does the regulation cite Wayfair, it now contains a rebuttable corporate excise nexus presumption for out of state retailers with MA sales in excess of \$500,000 in a taxable year.
Michigan	10/1/2018	\$ 100,000	Or	200	Michigan includes all taxable, non-taxable, and exempt sales made in the previous calendar year in its economic nexus threshold calculation.
Minnesota	10/1/2018	\$ 100,000	Or	200	Previous: 100 or more retail sales <u>or</u> 10 or more retail sales totaling \$100,000. Current (effective 10/1/2019): \$100,000 or 200 transactions
Mississippi	9/1/2018	\$ 250,000			Thresholds capture both prior and current year activity. MS includes all taxable, non-taxable, and exempt sales in its economic nexus threshold calculation. This includes all wholesale sales, taxable retail sales, and exempt retail sales.
Missouri	1/1/2023	\$ 100,000			Missouri became the final sales tax state to enact economic nexus provisions in late June of 2021. The rules apply to taxable sales of tangible personal property.
Montana					MT does not impose a state-level sales & use tax.
Nebraska	1/1/2019	\$ 100,000	Or	200	
Nevada	10/1/2018	\$ 100,000	Or	200	
New Hampshire					NH does not impose a state-level sales & use tax. Note, however, that S.B. 242 was passed in July of 2019; this is the state's attempt to shield its citizens and NH businesses from enforcement efforts by taxing authorities in other states. It remains to be seen whether this legislation will have any impact, or whether it withstands any potential legal challenges.
New Jersey	11/1/2018	\$ 100,000	Or	200	Effective for privilege periods and taxable years ending on and after July 31, 2023, NJ has enacted legislation to extend its post-Wayfair thresholds to the corporate business tax; as a result, similar tests will now be used for purposes of determining when substantial nexus exists for that tax type as well. This legislation was enacted and signed in early July of 2023.
New Mexico	7/1/2019	\$ 100,000			NM imposes a gross receipts tax rather than a traditional sales/use tax.
New York	1/15/2019 (notice issued)	\$ 500,000	And	100	Guidance only refers to sales of tangible personal property. Remains to be seen whether NY will go back to periods between 6/21/2018 (Wayfair decision announcement date) and 1/15/2019. NY increased the threshold from \$300,000 to \$500,000 in June of 2019; according to the legislation, it is retroactive to the Wayfair decision date (6/21/2018).

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North Carolina	11/1/2018	\$ 100,000	Or	200	Effective date is as noted, or 60 days after a remote seller meets the threshold, whichever is later. NC includes taxable sales, sales for resale, exempt sales, nontaxable sales, and marketplace-facilitated sales in its calculation.
North Dakota	10/1/2018	\$ 100,000			Once the \$100,000 threshold is met, a remote seller must begin collecting tax the earlier of the following calendar year or 60 days after the threshold is met. 200 transactions prong was removed via legislation in March 2019 - applies retroactively.
Ohio	1/1/2018 (with changes effective 8/1/2019)	\$ 100,000	Or	200	Prior to August 1, 2019, this was applicable only to sellers utilizing in state software to sell/lease, or that had an agreement with an in state content distribution network for delivery of their website; there was also a \$500,000 gross receipts threshold. Note that H.B. 166, effective 8/1/2019, removed the need for remote sellers to have software or network nexus and changed the thresholds, making the standard much more broadly applicable.
Oklahoma	11/1/2019	\$ 100,000			Legislation was signed on May 16, 2019, enacting a \$100,000 tangible personal property sales threshold in OK for remote sellers. Prior to November 1, 2019, remote sellers had to elect to either collect and remit or comply with reporting requirements under the previous regime (\$10,000 threshold, effective 7/1/2018). Note that the \$10,000 threshold remains for marketplace facilitators and certain other out-of-state sellers.
Oregon					OR does not impose a state-level sales & use tax.
Pennsylvania	7/1/2019	\$ 100,000			Prior to Act 13 of 2019, there was also a \$10,000 threshold at which point certain remote sellers were required to elect whether to collect & remit or comply with reporting requirements. The effective date was 3/1/18, then 6/1 for each subsequent year. The election was not available to marketplace facilitators and remote sellers that meet the \$100,000 threshold. The notice and reporting rules have now been suspended. PA released guidance in late September of 2019 indicating that as of 1/1/2020, the state will generally begin to require corporate income tax returns for certain businesses with \$500,000 or more of receipts from sales of tangible personal property, services, or licensing of intangibles sourced to PA.
Rhode Island	8/17/2017 (register or comply with notice & reporting regime); 7/1/2019 - mandatory registration	\$ 100,000	Or	200	The \$100,000 or 200 transactions threshold applies to both the notice and reporting and economic nexus regimes.
South Carolina	11/1/2018	\$ 100,000			
South Dakota	11/1/2018	\$ 100,000			<i>Wayfair</i> was a South Dakota case. Enforcement of economic nexus began on 11/1/2018 for companies other than those involved with the case. The state reached a settlement with those parties on 10/31/2018. South Dakota passed legislation removing its 200 transactions threshold, effective July 1, 2023.
Tennessee	10/1/2019, if economic nexus is triggered as of 7/31/2019	\$100,000 (note: the threshold was \$500,000 until October 1, 2020)			A lawsuit was filed challenging the TN rule that was adopted in 2017, which delayed enforcement initially. This suit was dismissed in late 2018, and legislation was subsequently enacted in late May 2019, which will allow enforcement to begin soon. Those who qualify must register and begin collecting tax by the first day of the third month after the threshold (which looks to previous 12 months) has been met. The sales threshold applies to all retail sales to individuals, businesses, organizations, and any other purchaser, including exempt sales; however, sales for resale do not count toward the calculation.
Texas	10/1/2019	\$ 500,000			While physical presence was previously the standard for franchise/margin tax purposes, TX adopted a similar \$500,000 TX gross receipts threshold for franchise/margin tax purposes beginning with returns due on or after 1/1/2020 in late December of 2019. TX includes taxable, nontaxable and tax-exempt sales in calculation of total TX revenue.
Utah	1/1/2019	\$ 100,000	Or	200	
Vermont	7/1/2018	\$ 100,000	Or	200	Regular or seasonal solicitation of sales within the state creates nexus without meeting the stated thresholds.
Virginia	7/1/2019	\$ 100,000	Or	200	

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Washington	10/1/2018	\$ 100,000			If over \$10,000 but under economic threshold, a remote seller can elect to collect & remit or comply with reporting requirements (<u>note</u> : this test was removed via legislation that took effect 7/1/2019). The 200 transactions prong was removed via legislation in March 2019. Business and occupation (B&O) tax obligations should always be considered as well.
West Virginia	1/1/2019	\$ 100,000	Or	200	Remote sellers must include "all transactions with West Virginia destinations" in their threshold calculation, regardless of whether they are exempt from sales and use tax.
Wisconsin	10/1/2018	\$ 100,000			The 200 transactions threshold was been eliminated, effective February 20,2021.
Wyoming	2/1/2019	\$ 100,000	Or	200	