

State Sales & Use Tax Economic Nexus Statutes

Most states have enacted economic nexus statutes for sales/use taxes. See below for thresholds, legal effective dates, and administrative enforcement dates for each state. States not listed either (i) do not impose sales/use tax, or (ii) have not publicly announced if or when they will enforce economic nexus. (Note: Tangible personal property is referred to below as "TPP".)

Alabama

Economic Nexus Threshold: \$250,000 AL sales for previous calendar year, AND at least one other activity enumerated under Alabama law

Legal Effective Date: 1/1/2016

Administrative Enforcement Date: 10/1/2018

California

Economic Nexus Threshold: In the preceding or current calendar year, retailer's sales into CA exceed \$100,000, OR the retailer made sales into CA in 200 or more separate transactions

Legal Effective Date: 4/1/2019

Administrative Enforcement Date: 4/1/2019

Colorado

Economic Nexus Threshold: \$100,000 in gross revenue from the sale of TPP or services delivered into CO, OR 200 or more separate transactions of such sales, in the previous or current calendar year

Legal Effective Date: 12/1/2018

Administrative Enforcement Date: 6/1/2019

Connecticut

Economic Nexus Threshold: \$250,000 in annual gross receipts AND 200 retail sales during the 12-mo period ended on Sept. 30th immediately preceding the monthly or quarterly period with respect to which such person's liability for tax is determined

Legal Effective Date: 12/1/2018

Administrative Enforcement Date: 12/1/2018

District of Columbia

Economic Nexus Threshold: \$100,000 in gross receipts from retail sales delivered into the District, OR 200 or more separate retail sales delivered into the District, in the previous or current calendar year

Legal Effective Date: 1/1/2019

Administrative Enforcement Date: 1/1/2019

Georgia

Economic Nexus Threshold: \$250,000 in GA sales in current or prior calendar year delivered electronically or physically to GA, OR 200 separate sales transactions in current or prior calendar year delivered electronically or physically to GA

Legal Effective Date: 1/1/2019

Administrative Enforcement Date: 1/1/2019

Hawaii

Economic Nexus Threshold: In the current, or immediately preceding calendar year, \$100,000 gross income or gross proceeds from the sale of TPP delivered in HI, services used or consumed in HI, or intangible property used in HI; OR 200 separate transactions from such sales

Legal Effective Date: 7/1/2018

Administrative Enforcement Date: 7/1/2018

Illinois

Economic Nexus Threshold: \$100,000 in cumulative gross receipts from sales of TPP or services to purchasers in IL, OR 200 separate transactions for the sale of TPP or services to purchasers in IL (in prior 4 quarters)

Legal Effective Date: 10/1/2018

Administrative Enforcement Date: 10/1/2018

Indiana

Economic Nexus Threshold: \$100,000 in IN sales in current or prior calendar year delivered electronically or physically to IN, OR 200 separate sales transactions in current or prior calendar year delivered electronically or physically to IN

Legal Effective Date: 7/1/2017

Administrative Enforcement Date: 10/1/2018

Iowa

Economic Nexus Threshold: Gross revenue from IA sales of \$100,000 for an immediately preceding calendar year or current calendar year, OR makes IA sales in 200 separate transactions for an immediately preceding calendar year or current calendar year

Legal Effective Date: 1/1/2019

Administrative Enforcement Date: 1/1/2019

Kentucky

Economic Nexus Threshold: \$100,000 in KY sales in current or prior calendar year delivered electronically or physically to KY, OR 200 separate sales transactions in current or prior calendar year delivered electronically or physically to KY

Legal Effective Date: 7/1/2018

Administrative Enforcement Date: 10/1/2018

Louisiana

Economic Nexus Threshold: If during the previous or current calendar year, either: \$100,000 from sales of TPP, products transferred electronically, or services; OR 200 separate transactions

Legal Effective Date: 6/21/2018

Administrative Enforcement Date: 1/1/2019

Maine

Economic Nexus Threshold: \$100,000 in ME sales in current or prior calendar year, OR 200 separate sales transactions in current or prior calendar year

Legal Effective Date: 10/1/2017

Administrative Enforcement Date: 7/1/2018

Maryland

Economic Nexus Threshold: Vendors with more than \$100,000 of gross revenue from the sale of TPP or taxable services delivered into MD, OR 200 or more separate transactions of such sales must register and collect sales tax.

Legal Effective Date: 10/1/2018

Administrative Enforcement Date: 10/1/2018

Massachusetts

Economic Nexus Threshold: Out-of-state internet vendors that have certain software or hardware in MA and who make sales of TPP or services in MA in excess of \$500,000; AND who make such sales for delivery in MA in at least 100 transactions in the preceding calendar year have nexus in MA (i.e., "cookie" nexus)

Legal Effective Date: 10/1/2017

Administrative Enforcement Date: 10/1/2017

Michigan

Economic Nexus Threshold: Sales into MI (both taxable and non-taxable) exceeding \$100,000, OR a seller that completes 200 or more separate transactions of sales into this state (both taxable and non-taxable) in the previous calendar year

Legal Effective Date: 10/1/2018

Administrative Enforcement Date: 10/1/2018

Minnesota

Economic Nexus Threshold: 10 or more retail sales totaling \$100,000 from outside MN to destinations within MN for a period of 12 consecutive months, or 100 or more retail sales from outside MN to destinations within MN for a period of 12 consecutive months; AND engages in any of the activities that demonstrate the regular or systematic solicitation of sales under Minnesota law

Legal Effective Date: 6/21/2018

Administrative Enforcement Date: 10/1/2018

Mississippi

Economic Nexus Threshold: \$250,000 in MS sales for prior 12 months AND remote seller must engage in other MS activities such as advertising, direct mail marketing, e-mailing, texts, telephone solicitation, etc.

Legal Effective Date: 12/1/2017

Administrative Enforcement Date: 9/1/2018

Nebraska

Economic Nexus Threshold: Sales of \$100,000 or more, OR 200 separate transactions into NE annually

Legal Effective Date: 1/1/2019

Administrative Enforcement Date: 1/1/2019

Nevada

Economic Nexus Threshold: Gross revenue of retail sales into NV in the prior or current year is greater than \$100,000 OR the business conducts 200 or more retail sales into the state

Legal Effective Date: 10/1/2018

Administrative Enforcement Date: 11/1/2018

New Jersey

Economic Nexus Threshold: Seller's gross revenue from delivery of TPP, specified digital product, or services into NJ in the calendar year exceeds \$100,000, OR 200 separate transactions

Legal Effective Date: 11/1/2018

Administrative Enforcement Date: 11/1/2018

New York

Economic Nexus Threshold: In the immediately preceding four quarters, the cumulative total of gross receipts from sales of TPP delivered into NY exceeds \$300,000, AND more than 100 sales of property delivered into NY

Legal Effective Date: Since at least 1/1/2009

Administrative Enforcement Date: 6/21/2018

North Carolina

Economic Nexus Threshold: \$100,000 in NC gross retail sales in the current or prior calendar year, OR 200 separate sales transactions in current or prior calendar year

Legal Effective Date: 1/1/2017

Administrative Enforcement Date: 11/1/2018

North Dakota

Economic Nexus Threshold: \$100,000 in ND sales in current or prior calendar year, OR 200 separate sales transactions in current or prior calendar year

Legal Effective Date: 6/21/2018

Administrative Enforcement Date: 10/1/2018

Ohio

Economic Nexus Threshold: Use in-state software to sell or lease TPP or services in excess of \$500,000 in the current or prior calendar year, or enter into an agreement with a person to provide a content distribution network and make sales in excess of \$500,000 in current or prior calendar year

Legal Effective Date: 1/1/2018

Administrative Enforcement Date: 1/1/2018

Oklahoma

Economic Nexus Threshold: "Remote seller," "marketplace facilitator" or "referrer" has \$10,000 in OK sales in prior 12 month period

Legal Effective Date: 4/10/2018 (election to register and collect or comply with use tax notice and reporting must be made by 7/1/2018)

Administrative Enforcement Date: 7/1/2018

Pennsylvania

Economic Nexus Threshold: \$100,000 of sales of TPP delivered to PA in prior 12 months

Legal Effective Date: 4/1/2018 (delayed until 4/1/2019 for remote sellers of digital products)

Administrative Enforcement Date: 7/1/2019

Rhode Island

Economic Nexus Threshold: \$100,000 in RI sales in the prior calendar year, OR 200 separate sales transactions in the prior calendar year

Legal Effective Date: 8/17/2017

Administrative Enforcement Date: 8/17/2017

South Carolina

Economic Nexus Threshold: \$100,000 in gross revenue from the sales of TPP, products transferred electronically, and services delivered into SC in the previous or current calendar year.

Legal Effective Date: 11/1/2018

Administrative Enforcement Date: 11/1/2018

South Dakota

Economic Nexus Threshold: \$100,000 in SD sales in current or prior calendar year, OR 200 separate sales transactions in current or prior calendar year

Legal Effective Date: 11/1/2018

Administrative Enforcement Date: 11/1/2018

Tennessee

Economic Nexus Threshold: Remote seller engaged in regular and systematic solicitation in TN and sales in prior 12 months exceeded \$500,000

Legal Effective Date: 1/1/2017 (remote seller must register by 3/1/2017 and begin collecting 7/1/2017)

Administrative Enforcement Date: Enforcement stayed during pendency of in-state litigation.

Texas

Economic Nexus Threshold: Remote sellers "engaged in business" in Texas are subject to tax, unless they meet the safe harbor exemption, which is total Texas revenue in the preceding 12 calendar months less than \$500,000.

Legal Effective Date: 1/1/2019

Administrative Enforcement Date: 10/1/2019

Utah

Economic Nexus Threshold: In the previous or current calendar year, \$100,000 in gross revenue into UT from the sale of TPP, any product transferred electronically, or services; OR 200 or more separate transactions of such sales

Legal Effective Date: 1/1/2019

Administrative Enforcement Date: 1/1/2019

Vermont

Economic Nexus Threshold: During any 12 month period remote seller has \$100,000 of VT sales, OR 200 separate sales transactions in VT and engages in regular, systematic, or seasonal solicitation

Legal Effective Date: 7/1/2018

Administrative Enforcement Date: 7/1/2018

Washington

Economic Nexus Threshold: “Remote seller” or “marketplace facilitator” has \$100,000 of annual gross retail sales to WA customers, OR 200 separate sales transactions in WA. A “referrer” with \$267,000 of income apportioned to WA. If a “remote seller” or “marketplace facilitator” has more than \$10,000, but less than \$100,000 of annual gross retail sales, the seller must make the “Retail Sales Tax Choice” and elect either registration and collection or use tax notice and reporting.

Legal Effective Date: 1/1/2018

Administrative Enforcement Date: 10/1/2018
(but remains 1/1/2018 for sellers subject to “retail sales tax choice”)

West Virginia

Economic Nexus Threshold: \$100,000 of goods or services into WV, OR 200 separate transactions for the delivery of goods and services in WV, during calendar year 2018

Legal Effective Date: 1/1/2019

Administrative Enforcement Date: 1/1/2019

Wisconsin

Economic Nexus Threshold: \$100,000 gross annual sales into WI (taxable and nontaxable sales), OR 200 separate annual sales transactions

Legal Effective Date: Since at least 4/18/2018

Administrative Enforcement Date: 10/1/2018

Wyoming

Economic Nexus Threshold: \$100,000 in WY sales in current or prior calendar year, OR 200 separate sales transactions in current or prior calendar year

Legal Effective Date: 7/1/2017

Administrative Enforcement Date: 2/1/2019

This information is current as of January 22, 2019.

**The administrative enforcement date is for sales/use tax collection only, and it does not take into account any use tax notice/reporting requirements. Further, this chart assumes the remote seller will collect/remit sales/use tax, rather than elect to comply with notice/reporting requirements, if that is an option.*

***Legal effective date is the date the statute or regulation indicates the remote seller rules are effective.*

****Some states are seeking to apply economic nexus only for periods on/after the Wayfair decision.*

*****Guidance relied upon may include informal announcements by the state or a state representative.*

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