

# State-by-State Economic Nexus Regulations



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STATE	CATEGORY	ANSWER	EXPLANATION
Alabama	Economic Nexus	Yes	Alabama has economic Nexus rules. Sellers have nexus in Alabama when they meet both of the following: <sup>1</sup> the seller sold more than \$250,000 of tangible personal property delivered to Alabama over the previous calendar year, and <sup>2</sup> the seller satisfies one of the state's general nexus conditions.
Alaska	Economic Nexus	N/A	Alaska does not have a state sales tax; therefore, nexus conditions are not stated.
Arizona	Economic Nexus	Yes	Remote sellers have economic nexus when taxable sales into Arizona exceed the minimum threshold in the current or previous calendar year. The threshold is \$200,000 in 2019. The threshold decreases to \$150,000 in 2020, and decreases again to \$100,000 in 2021. Sales made through a marketplace facilitator do not count toward the remote seller's minimum threshold. Marketplace facilitators have economic nexus when taxable sales in Arizona exceed \$100,000 in the current or previous calendar year.
Arkansas	Economic Nexus	Yes	Arkansas has economic nexus rules. Economic nexus applies when a seller makes sales into the state that exceed a specific threshold in either the current or preceding calendar year. The threshold is \$100,000 in total sales or 200 separate transactions.
California	Economic Nexus	Yes	Effective April 1, 2019, California implemented new use tax collection requirements for all retailers registered or required to be registered with the California Department of Tax and Fee Administration. These retailers must collect and pay use tax if the retailer's sales into California or any California district exceed \$500,000 in the current or previous calendar year.
Colorado	Economic Nexus	Yes	Colorado has economic nexus rules. Businesses have sales tax nexus in Colorado if they make more than \$100,000 in annual retail sales of tangible personal property or services into the state in the current or previous calendar year.
Connecticut	Economic Nexus	Yes	Connecticut has economic nexus rules. Businesses have sales tax nexus in Connecticut when they make more than \$100,000 in gross receipts and at least 200 separate retail sale transactions into the state during the previous twelve month period (October 1 through September 30).
Delaware	Economic Nexus	N/A	Delaware does not have a state sales tax; therefore, nexus conditions are not stated.
District of Columbia	Economic Nexus	Yes	The District of Columbia has an economic nexus rule. It applies to sellers who had gross receipts of \$100,000 or more or made 200 or more transactions in the city during the current or previous calendar year.
Florida	Economic Nexus	No	Florida does not have economic nexus rules.
Georgia	Economic Nexus	Yes	Georgia has economic nexus rules. Businesses have sales tax nexus in Georgia when they get more than \$100,000 in gross revenue from retail sales of tangible personal property in the state, or when they make 200 or more separate retail sales of tangible personal property in the state in either the current calendar year or the preceding calendar year.
Hawaii	Economic Nexus	Yes	Hawaii has economic nexus rules. Businesses have sales tax nexus in Hawaii when they get more than \$100,000 in gross income from selling tangible personal property or services in the state, or when they make 200 or more separate transactions in the state during the current or previous calendar year.
Idaho	Economic Nexus	Yes	Idaho has economic nexus rules. Economic nexus applies when a seller makes sales into the state that exceed a specific threshold in either the current or preceding calendar year. The threshold is \$100,000 in total sales.
Illinois	Economic Nexus	Yes	Illinois has economic nexus rules. Businesses are required to collect use tax in Illinois when they make more than \$100,000 in gross sales in Illinois or make 200 or more separate transactions in the state in the previous year.
Indiana	Economic Nexus	Yes	Indiana has economic nexus rules. Businesses have sales tax nexus in Indiana when they get more than \$100,000 in gross income from selling tangible personal property or services in the state, or when they make 200 or more separate transactions in the state during the current or previous calendar year.
Iowa	Economic Nexus	Yes	Iowa has an economic nexus rule. It applies to sellers who had gross revenue of \$100,000 or more from sales in the state during the current or previous calendar year.

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Kansas	Economic Nexus	Yes	Kansas has economic nexus rules. Kansas's laws state that a seller has nexus if it has "any other contact" that would allow Kansas to require the seller to remit tax under the U.S. Constitution. Kansas has interpreted this to mean that remote sellers have nexus if they make any taxable sale into the state. Note that the Kansas Attorney General has released an opinion stating that this policy is not supported by law. The opinion has no legal force, but is noteworthy since it says the policy is likely invalid without the support of a statute or regulation.
Kentucky	Economic Nexus	Yes	Kentucky has an economic nexus rule. Out-of-state sellers without a physical presence in Kentucky are required to collect use tax if they meet either of the following: <sup>1</sup> the seller made \$100,000 in total sales of tangible personal property or digital property to purchasers in Kentucky in the past or current year, or <sup>2</sup> the seller delivered tangible personal property or digital property to purchasers in Kentucky in more than 200 separate transactions in the past or current year.
Louisiana	Economic Nexus	Yes	Louisiana has an economic nexus rule. Louisiana's economic nexus rule applies when remote sellers have \$100,000 or more in "gross revenue" or make 200 or more transactions during the current or previous calendar year. The thresholds apply to sales of tangible personal property, products transferred electronically, and services.
Maine	Economic Nexus	Yes	Maine has an economic nexus rule. Economic nexus applies when a seller makes sales into the state that exceed a specific threshold in either the current calendar year or the preceding calendar year. The threshold is <sup>1</sup> 200 or more separate sales transactions; or <sup>2</sup> \$100,000 in total sales.
Maryland	Economic Nexus	Yes	Maryland has an economic nexus rule. Under the rule, economic nexus applies when a seller makes sales into the state that go over a sales threshold during the current or previous calendar year. The threshold is <sup>1</sup> 200 or more sales of property or taxable services delivered to Maryland or <sup>2</sup> gross revenue from sales of property or taxable services delivered to Maryland totaling more than \$100,000.
Massachusetts	Economic Nexus	Yes	Massachusetts has economic nexus rules. Economic nexus applies when a seller makes sales into the state that exceed a specific threshold in the prior or current taxable year. The threshold is \$100,000 in total sales.
Michigan	Economic Nexus	Yes	Michigan has an economic nexus rule. Economic nexus applies when a seller makes sales into the state that exceed a set threshold over the past year. The threshold is <sup>1</sup> \$100,000 in sales into the state or <sup>2</sup> 200 or more separate transactions into the state.
Minnesota	Economic Nexus	Yes	Minnesota has an economic nexus rule. Under the rule, economic nexus applies when a retailer makes sales into the state that exceed a set threshold over the past 12 months ending on the most recently completed calendar quarter. The threshold is <sup>1</sup> 200 or more retail sales, or <sup>2</sup> more than \$100,000 in total sales in the current or previous calendar year.
Mississippi	Economic Nexus	Yes	Mississippi has economic nexus rules. Under the rules, sellers making more than \$250,000 in sales to Mississippi in the preceding twelve months have nexus with Mississippi if they purposefully or systematically target Mississippi as a market. Examples of "purposefully or systematically targeting" in Mississippi include <sup>1</sup> advertising on Mississippi television or radio stations; <sup>2</sup> telemarketing to Mississippi customers; <sup>3</sup> advertising on any type of signs located in Mississippi; <sup>4</sup> advertising in Mississippi newspapers, magazines or other print media; <sup>5</sup> sending emails, texts, tweets or any form of messaging directed to Mississippi customers; <sup>6</sup> directing online banners, text advertisements, or pop up advertising at Mississippi customers; <sup>7</sup> advertising to Mississippi customers through applications, "apps," or other electronic means on customer's phones or other devices; or <sup>8</sup> addressing direct mail marketing to Mississippi customers.
Missouri	Economic Nexus	No	Missouri does not have economic nexus rules.
Montana	Economic Nexus	N/A	Montana does not have a state sales tax; therefore, nexus conditions are not stated.
Nebraska	Economic Nexus	Yes	Nebraska has an economic nexus rule. It applies to sellers and marketplace facilitators who had total retail sales of property of \$100,000 or more or 200 or more retail sales in the state during the current or previous calendar year. Note that effective April 1, 2019, remote sellers must begin collecting and remitting tax if they met either threshold in 2018 or before February 1, 2019.

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Nevada	Economic Nexus	Yes	Nevada has economic nexus rules. Businesses have sales tax nexus in Nevada when they get more than \$100,000 in gross income from selling tangible personal property in the state, or when they make 200 or more separate transactions in the state during the current/previous calendar year.
New Hampshire	Economic Nexus	N/A	New Hampshire does not have a state sales tax; therefore, nexus conditions are not stated.
New Jersey	Economic Nexus	Yes	New Jersey has economic nexus rules. Businesses have sales tax nexus in New Jersey when one of the following applies <sup>1</sup> the business made more than \$100,000 in gross revenue from selling tangible personal property, digital property, or services in the state in the current or previous calendar year; or <sup>2</sup> the business made 200 or more sales of tangible personal property, digital property, or services in the state in the current or previous calendar year.
New Mexico	Economic Nexus	Yes	New Mexico has economic nexus rules. Businesses have sales tax nexus in New Mexico if they make \$100,000 or more in total taxable gross receipts during the previous calendar year.
New York	Economic Nexus	Yes	New York has economic nexus rules. Businesses have sales tax nexus in New York when they make more than \$500,000 in sales of tangible personal property from at least 100 separate transactions into the state during the previous four calendar quarters (March 1 through May 31; June 1 through August 31; September 1 through November 30; December 1 through February 28/29).
North Carolina	Economic Nexus	Yes	North Carolina has economic nexus rules. Businesses have sales tax nexus in North Carolina when they have \$100,000 or more in gross sales or make 200 or more transactions in the state during the current or previous calendar year. This includes sales of tangible personal property, digital goods, and services sourced to the state.
North Dakota	Economic Nexus	Yes	North Dakota has economic nexus rules. Businesses have sales tax nexus in North Dakota if they have more than \$100,000 in gross income from selling tangible personal property or services in the state during the current or previous calendar year.
Ohio	Economic Nexus	Yes	Ohio has economic nexus rules. A remote seller has economic nexus in Ohio if the seller's gross receipts from Ohio sales are greater than \$100,000 or if the seller has at least 200 Ohio transactions in the current or preceding calendar year.
Oklahoma	Economic Nexus	Yes	Oklahoma requires remote sellers to register and collect and remit tax if they exceed \$100,000 in sales into the state during the current or preceding calendar year. Remote sellers that do not exceed the \$100,000 in sales are required to give customers notice that they may owe use tax and begin filing an annual report of all sales into the state.
Oregon	Economic Nexus	N/A	Oregon does not have a state sales tax; therefore, nexus conditions are not stated.
Pennsylvania	Economic Nexus	Yes	Pennsylvania has economic nexus rules. Pennsylvania requires all remote sellers and marketplace facilitators to collect and remit tax if their total Pennsylvania gross sales exceeds \$100,000 in the preceding 12 month calendar period. Additionally, if the \$100,000 threshold is not met, and the remote seller or marketplace facilitator made \$10,000 or more in taxable sales in the previous twelve months, it must elect to either <sup>1</sup> collect tax or <sup>2</sup> provide notice to buyers and report to the state.
Rhode Island	Economic Nexus	Yes	Rhode Island has an economic nexus rule. It applies to sellers who had gross revenue of \$100,000 from the sale of tangible personal property, prewritten computer software, or taxable services or more or made 200 or more of these transactions in the state during the previous calendar year.
South Carolina	Economic Nexus	Yes	South Carolina has economic nexus rules. Businesses have sales tax nexus in South Carolina when they get more than \$100,000 in gross sales in the state during the current or previous calendar year.
South Dakota	Economic Nexus	Yes	South Dakota has an economic nexus rule. It applies when a seller makes sales into the state that exceed a specific threshold in either the current calendar year or the preceding calendar year. The threshold is <sup>1</sup> 200 or more separate sales transactions; or <sup>2</sup> \$100,000 in total sales.
Tennessee	Economic Nexus	Yes	Tennessee has economic nexus rules. Economic nexus applies when a seller makes sales into the state that exceed \$100,000 during the previous 12 months.

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Texas	Economic Nexus	Yes	Texas requires remote sellers to collect and remit tax if their total Texas revenue is \$500,000 or more in the prior 12 calendar months. Note that remote sellers that owe more than one local use tax on a sale may choose to pay tax calculated by a single local use tax rate. This rate will be published in the Texas Register. Remote sellers choosing to pay tax calculated by the single local use tax rate must notify the Comptroller when doing so. If choosing the single local use tax rate causes remote sellers to pay more tax than if remote sellers were to combine the rates of all applicable local use taxes, then the remote sellers may apply for a refund of the difference between the two amounts.
Utah	Economic Nexus	Yes	Utah has an economic nexus rule. It applies to <sup>1</sup> sellers that made more than 200 sales in the state of tangible personal property, services, or electronically transferred products in the state in the previous or current calendar year; and <sup>2</sup> sellers that earned more than \$100,000 in gross sales of tangible personal property, services, or electronically transferred products in the state in the previous or current calendar year.
Vermont	Economic Nexus	Yes	Vermont has economic nexus rules. Economic nexus applies when a seller makes sales into the state that exceed a specific threshold in any prior 12 month period. The threshold is <sup>1</sup> 200 or more separate sales transactions, or <sup>2</sup> \$100,000 or more in total sales.
Virginia	Economic Nexus	Yes	Virginia has economic nexus rules. Businesses have sales tax nexus in Virginia if they make <sup>1</sup> \$100,000 or more in gross sales in Virginia, or <sup>2</sup> 200 or more separate transactions in the state in the current or previous year.
Washington	Economic Nexus	Yes	Washington has economic nexus rules. Economic nexus applies when a seller makes sales into the state that exceed a specific threshold in either the current or preceding calendar year. The threshold is \$100,000 of all gross income from the sales.
West Virginia	Economic Nexus	Yes	West Virginia has economic nexus rules. Businesses are required to collect tax in West Virginia when their sales of goods or services into the state during the previous year exceed \$100,000 or 200 or more separate transactions.
Wisconsin	Economic Nexus	Yes	Wisconsin has economic nexus rules. Businesses have sales tax nexus in Wisconsin when they make more than \$100,000 in gross sales in Wisconsin or make 200 or more separate transactions in the state in the current or previous year.
Wyoming	Economic Nexus	Yes	Wyoming has economic nexus rules. Economic nexus applies when a seller makes sales into the state that exceed a specific threshold in either the current calendar year or the preceding calendar year. The threshold is <sup>1</sup> 200 or more separate sales transactions; or <sup>2</sup> \$100,000 in total sales.