**DOING BUSINESS IN THE U.S.: NEW SALES TAX CHANGES**

**STATE** | **ECONOMIC NEXUS THRESHOLD** | **EFFECTIVE DATE**
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ALABAMA | sales over $250,000 | 10/01/18
ARIZONA | sales over $200,000 for 2019; sales over $150,000 for 2020; sales over $100,000 for 2021 and subsequent years | 10/01/19
ARKANSAS | sales over $100,000 or 200 sales | 07/01/19
CALIFORNIA | sales over $500,000 | 04/01/19
COLORADO | sales over $100,000 | 06/01/19
CONNECTICUT | sales over $100,000 and 200 sales | 07/01/19
DIST. OF COLUMBIA | sales over $100,000 or 200 sales | 01/01/19
GEORGIA | sales over $250,000 or 200 sales | 01/01/19
HAWAII | sales over $100,000 or 200 sales | 07/01/18
IDAHO | sales over $100,000 | 06/01/18
ILLINOIS | sales over $100,000 or 200 sales | 10/01/18
INDIANA | sales over $100,000 or 200 sales | 10/01/18
IOWA | sales over $100,000 or 200 sales | 01/01/19
KENTUCKY | sales over $100,000 or 200 sales | 10/01/18
LOUISIANA | sales over $100,000 or 200 sales | 07/01/20
MAINE | sales over $100,000 or 200 sales | 07/01/18
MARYLAND | sales over $100,000 or 200 sales | 10/01/18
MICHIGAN | sales over $100,000 or 200 sales | 10/01/18
MINNESOTA | 10 or more sales over $100,000 or 100 or more retail sales (200 eff. 10/1/19) | 10/01/18
MISSISSIPPI | sales over $250,000 | 09/01/18
NEBRASKA | sales over $100,000 or 200 sales | 01/01/19
NEVADA | sales over $100,000 or 200 sales | 11/01/18
NEW JERSEY | sales over $100,000 or 200 sales | 11/01/18
NEW MEXICO | at least $100,000 of taxable gross receipts | 07/01/19
NEW YORK | sales over $500,000 and 100 sales | 06/21/18
NORTH CAROLINA | sales over $100,000 or 200 sale | 11/01/18
NORTH DAKOTA | sales over $100,000 | 10/01/18
OKLAHOMA | sales over $100,000 | 11/01/19
PENNSYLVANIA | sales over $100,000 | 07/01/19
RHODE ISLAND | sales over $100,000 or 200 sale | 07/01/19
SOUTH CAROLINA | sales over $100,000 | 11/01/18
SOUTH DAKOTA | sales over $100,000 or 200 sale | 11/01/18
TENNESSEE | sales over $500,000 | 10/01/19
TEXAS | sales over $500,000 | 10/01/19
UTAH | sales over $100,000 or 200 sale | 01/01/19
VERMONT | sales over $100,000 or 200 sale | 07/01/18
VIRGINIA | sales over $100,000 or 200 sale | 07/01/19
WASHINGTON | sales over $100,000 | 10/01/18
WEST VIRGINIA | sales over $100,000 or 200 sale | 01/01/19
WISCONSIN | sales over $100,000 or 200 sale | 10/01/18
WYOMING | sales over $100,000 or 200 sale | 02/01/19

**NEXT STEPS...**

#1 Review sales and business activities to determine potential sales tax and income/franchise tax filing requirements (past & present).

#2 Research the taxability of products and services in states where sales tax will need to be collected and remitted.

#3 Verify resale/exemption certificates to determine whether the business has valid documentation for not charging sales tax.

#4 Develop a plan for addressing increased sales tax compliance-personnel, technology, outsourcing options and related costs.

#5 Register in new states (or determine if VDA/amnesty needed).

#6 Monitor sales tax changes as states issue guidance in response to Wayfair decision.

#7 Consider financial statement reporting and disclosure issues, including contingent liabilities.

*Consider a physical presence in the U.S.*

*Expand to Buffalo Niagara.*

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For more information on this topic please contact Thomas E. Mazurek, Jr., CPA or Andrew J. Toth, CPA at Tronconi Segarra & Associates  LLP: ww.tsacpa.com | tmazurek@tsacpa.com | atoth@tsacpa.com | 716.633.1373
Expanding into the U.S. Checklist

International businesses considering a business expansion have good reason to rank Buffalo Niagara at the top of their prospect list. Invest Buffalo Niagara has business development managers who provide a single point of contact to a roster of experts in every key area needed to successfully analyze and consider a U.S. business expansion. Since 1999, Invest Buffalo Niagara has helped over 100 international companies successfully expand their businesses to Buffalo Niagara. Our services are free of charge and confidential.

Legal
- Immigration
- Incorporation
- Tax structure
- Intellectual property (patents, branding, trademarks, etc.)
- Real estate contracts and purchases

Accounting and Tax
- Tax structure
- State and federal requirements and filings
- Tax reporting and timelines

U.S. Banking
- U.S. deposits
- Checking and savings accounts
- Inter-company financial transfers
- Loan programs

Site Selection
- What sites are available in the region?
- What are the current market rates?
- What site best meets my long and short term needs?
- Committing to a real estate site (letters of intent, lease signing)

Workforce
- Wage rate data
- Employment and recruiting
- Employee benefits and medical coverage
- Training programs

Utilities
- What are your requirements of this new facility?
- Is the site that you are considering able to handle that need?
- How can a site be upgraded?
- Energy efficiency programs

Incentives
- State tax credits and grants
- County loans and tax abatements
- University partnerships
- NYSERDA (New York State Energy Research and Development Authority)
- Low-cost renewable power

Misc.
- Insurance (for the new facility and to cover the move)
- Plant layout and efficiency

Notes/Questions:

For more information on business expansion please contact Carolyn Powell or Olivia Hill at
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