

Sales Tax Nexus Report

For the years 2023, 2022, and 2021

PRESENTED TO

XYZ Company

PREPARED BY

Tax Consulting Group, LLC

JULY 2023

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Introduction

Sales Tax Background

Sales tax was initially imposed on retailers who had a physical presence, such as a brick-and-mortar store, within a particular state. This was known as the "physical presence" standard, which was established by the Supreme Court in the 1967 case of *National Bellas Hess v. Department of Revenue*. The decision held that states could not require retailers to collect sales tax if they lacked a physical presence in the state.

In 1992, the Supreme Court revisited the issue in *Quill v. North Dakota* and reaffirmed the physical presence standard. But the Court also acknowledged that the issue was becoming more complex and that Congress should address it. Over time, more states began to enact laws requiring out-of-state sellers to collect sales tax, even if they lacked a physical presence in the state. In 2018, the Supreme Court finally overturned the physical presence standard in *South Dakota v. Wayfair, Inc.* The Court held that states could require out-of-state sellers to collect sales tax based on their economic activity within the state, rather than their physical presence. This new standard is known as the "economic nexus" standard and has significant implications for businesses selling goods and services across state lines.

About this Report

This report analyzes basic physical presence standards that are still in effect today, as well as the revenue and transactional information provided to determine whether the company has triggered nexus-creating activities.

Moreover, the report uses the average combined sales tax rate for each state to determine the company's exposure to tax liability and an averaged interest rate for each year. See the 'Rate Table' in the Appendix for more info on the rates used for each state and year.

The results of this report are not considered legal advice. When determining sales tax compliance and liability remediation for the business, please contact a licensed expert for advice.

General Summary

This report is for the years 2023, 2022, and 2021

Total Estimated Liability

\$1,058,842.10

Total Estimated Revenue

\$19,073,031.00

Physical Presence Exposure

5 States

Economic Nexus Exposure

16 States

Already Filing Sales Tax Returns

4 States

Alabama	Economic Nexus	Kentucky	Physical Presence	North Dakota	Physical Presence
Alaska	Under Threshold	Louisiana	Economic Nexus	Ohio	Under Threshold
Arizona	Economic Nexus	Maine	Under Threshold	Oklahoma	Economic Nexus
Arkansas	Economic Nexus	Maryland	Under Threshold	Oregon	N/A
California	Already Filing	Massachusetts	Economic Nexus	Pennsylvania	Under Threshold
Colorado	Economic Nexus	Michigan	Under Threshold	Rhode Island	Economic Nexus
Connecticut	Under Threshold	Minnesota	Economic Nexus	South Carolina	Under Threshold
Delaware	N/A	Mississippi	Under Threshold	South Dakota	Economic Nexus
District of Columbia	Already Filing	Missouri	Economic Nexus	Tennessee	Under Threshold
Florida	Physical Presence	Montana	N/A	Texas	Under Threshold
Georgia	Under Threshold	Nebraska	Under Threshold	Utah	Economic Nexus
Hawaii	Already Filing	Nevada	Economic Nexus	Vermont	Under Threshold
Idaho	Under Threshold	New Hampshire	N/A	Virginia	Economic Nexus
Illinois	Economic Nexus	New Jersey	Under Threshold	Washington	Under Threshold
Indiana	Under Threshold	New Mexico	Physical Presence	West Virginia	Economic Nexus
Iowa	Under Threshold	New York	Physical Presence	Wisconsin	Under Threshold
Kansas	Under Threshold	North Carolina	Under Threshold	Wyoming	Already Filing

Liability Summary

State	First Nexus Year	Triggering Nexus	Sales Tax Liability	Interest	Penalties	Total Liability
AL	2023	Economic	\$9,250.00	\$647.50	\$925.00	\$10,822.50
AZ	2021	Economic	\$137,580.00	\$6,841.80	\$34,395.00	\$178,816.80
AR	2021	Economic	\$3,318.70	\$331.87	\$829.68	\$4,480.25
CO	2021	Economic	\$139,740.00	\$9,629.20	\$25,153.20	\$174,522.40
FL	2023	Physical	\$0.00	\$0.00	\$0.00	\$0.00
IL	2021	Economic	\$61,720.00	\$3,439.00	\$12,344.00	\$77,503.00
KY	2023	Physical	\$0.00	\$0.00	\$0.00	\$0.00
LA	2022	Economic	\$39,346.00	\$3,245.09	\$9,836.50	\$52,427.59
MA	2022	Economic	\$22,450.00	\$1,546.00	\$5,612.50	\$29,608.50
MN	2022	Economic	\$14,980.00	\$629.16	\$3,745.00	\$19,354.16
MO	2023	Economic	\$49,980.00	\$2,998.80	\$12,495.00	\$65,473.80
NV	2021	Economic	\$148,140.00	\$13,332.60	\$14,814.00	\$176,286.60
NM	2023	Physical	\$10,628.81	\$547.12	\$2,125.76	\$13,301.69
NY	2023	Physical	\$0.00	\$0.00	\$0.00	\$0.00
ND	2023	Physical	\$40,121.60	\$4,814.59	\$10,030.40	\$54,966.59
OK	2021	Economic	\$62,810.00	\$9,421.50	\$6,281.00	\$78,512.50
RI	2023	Economic	\$2,800.00	\$504.00	\$280.00	\$3,584.00
SD	2022	Economic	\$26,368.00	\$3,164.16	\$2,636.80	\$32,168.96
UT	2021	Economic	\$28,932.56	\$1,008.32	\$2,893.26	\$32,834.14
VA	2023	Economic	\$3,450.00	\$310.50	\$1,035.00	\$4,795.50
WV	2022	Economic	\$36,608.00	\$3,623.12	\$9,152.00	\$49,383.12
			\$838,223.67	\$66,034.33	\$154,584.10	\$1,058,842.10

Recommendations

Below are follow-up actions determined by Tax Consulting Group, LLC.

Registrations

Kentucky, Missouri, Rhode
Island, Virginia

Voluntary Disclosures

Alabama, Arizona, Colorado,
Illinois, Louisiana,
Massachusetts, Minnesota,
Nevada, North Dakota,
Oklahoma, South Dakota,
Utah, West Virginia

Taxability Reviews

No States Selected

Monitor Sales

No States Selected

Further Reviews

Florida, New Mexico, New
York

Other

No States Selected

Total Estimated Liability

\$10,822.50

Total Estimated Revenue

\$725,000

Estimated Sales Tax Liability

\$9,250.00

Estimated Penalties

\$925.00

Estimated Interest

\$647.50

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$350,000/\$250,000	Does not apply
2022	Revenue Only	\$200,000/\$250,000	Does not apply
2021	Revenue Only	\$175,000/\$250,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	^\$100,000	\$9,250.00	\$925.00	\$647.50	\$10,822.50
2022	\$80,000	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$60,000	\$0.00	\$0.00	\$0.00	\$0.00

^The revenue for 2023 was adjusted to increase exposure calculation accuracy.

Recommendations

Voluntary Disclosure Recommended

Notes

Add Notes Here

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$0/\$100,000	0/200
2022	Revenue OR Transactions	\$0/\$100,000	0/200
2021	Revenue OR Transactions	\$0/\$100,000	0/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Total Estimated Liability

\$178,816.80

Total Estimated Revenue

\$2,050,000

Estimated Sales Tax Liability

\$137,580.00

Estimated Penalties

\$34,395.00

Estimated Interest

\$6,841.80

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$750,000/\$100,000	Does not apply
2022	Revenue Only	\$700,000/\$100,000	Does not apply
2021	Revenue Only	\$600,000/\$100,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$600,000	\$50,220.00	\$12,555.00	\$3,515.40	\$66,290.40
2022	\$560,000	\$47,040.00	\$11,760.00	\$2,116.80	\$60,916.80
2021	\$480,000	\$40,320.00	\$10,080.00	\$1,209.60	\$51,609.60

Recommendations

Voluntary Disclosure Recommended

Notes

None

Total Estimated Liability

\$4,480.25

Total Estimated Revenue

\$191,000

Estimated Sales Tax Liability

\$3,318.70

Estimated Penalties

\$829.68

Estimated Interest

\$331.87

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$50,000/\$100,000	260/200
2022	Revenue OR Transactions	\$45,000/\$100,000	150/200
2021	Revenue OR Transactions	\$96,000/\$100,000	795/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$10,000	\$946.00	\$236.50	\$94.60	\$1,277.10
2022	\$12,000	\$1,136.40	\$284.10	\$113.64	\$1,534.14
2021	\$13,000	\$1,236.30	\$309.08	\$123.63	\$1,669.01

Recommendations

None

Notes

None

California

Already filing sales tax returns

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$1,559,000

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	Yes	Employees
2022	Yes	Employees
2021	Yes	Employees

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$600,000/\$500,000	Does not apply
2022	Revenue Only	\$559,000/\$500,000	Does not apply
2021	Revenue Only	\$400,000/\$500,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	Sales tax has been filed for this year.			\$0.00
2022	\$0	Sales tax has been filed for this year.			\$0.00
2021	\$0	Sales tax has been filed for this year.			\$0.00

Recommendations

None

Notes

No action required, as the Taxpayer is in compliance.

Total Estimated Liability

\$174,522.40

Total Estimated Revenue

\$2,250,000

Estimated Sales Tax Liability

\$139,740.00

Estimated Penalties

\$25,153.20

Estimated Interest

\$9,629.20

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$1,000,000/\$100,000	Does not apply
2022	Revenue Only	\$750,000/\$100,000	Does not apply
2021	Revenue Only	\$500,000/\$100,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$800,000	\$62,240.00	\$11,203.20	\$4,979.20	\$78,422.40
2022	\$600,000	\$46,620.00	\$8,391.60	\$2,797.20	\$57,808.80
2021	\$400,000	\$30,880.00	\$5,558.40	\$1,852.80	\$38,291.20

Recommendations

Voluntary Disclosure Recommended

Notes

None

Connecticut

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue AND Transactions	\$0/\$100,000	0/200
2022	Revenue AND Transactions	\$0/\$100,000	0/200
2021	Revenue AND Transactions	\$0/\$100,000	0/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

State doesn't have a sales tax

District of Columbia

Already filing sales tax returns

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$170,677

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	Yes	Employees
2022	Yes	Employees
2021	Yes	Employees

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$75,000/\$100,000	75/200
2022	Revenue OR Transactions	\$45,677/\$100,000	45/200
2021	Revenue OR Transactions	\$50,000/\$100,000	5/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	Sales tax has been filed for this year.			\$0.00
2022	\$0	Sales tax has been filed for this year.			\$0.00
2021	\$0	Sales tax has been filed for this year.			\$0.00

Recommendations

None

Notes

No action required, as the Taxpayer is in compliance.

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - Detected

Year	Exposed	Exposure Type
2023	Yes	Tangible Personal Property
2022	Yes	Tangible Personal Property
2021	Yes	Tangible Personal Property

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$0/\$100,000	Does not apply
2022	Revenue Only	\$0/\$100,000	Does not apply
2021	Revenue Only	\$0/\$100,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

Discussion or Review Needed

Notes

What is the Employee doing if there isn't any sales in the state?

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$0/\$100,000	0/200
2022	Revenue OR Transactions	\$0/\$100,000	0/200
2021	Revenue OR Transactions	\$0/\$100,000	0/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Hawaii

Already filing sales tax returns

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$720,000

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$400,000/\$100,000	400/200
2022	Revenue OR Transactions	\$300,000/\$100,000	200/200
2021	Revenue OR Transactions	\$20,000/\$100,000	150/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	Sales tax has been filed for this year.			\$0.00
2022	\$0	Sales tax has been filed for this year.			\$0.00
2021	\$16,000	Sales tax has been filed for this year.			\$0.00

Recommendations

None

Notes

In compliance.

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$0/\$100,000	Does not apply
2022	Revenue Only	\$0/\$100,000	Does not apply
2021	Revenue Only	\$0/\$100,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Total Estimated Liability

\$77,503.00

Total Estimated Revenue

\$875,000

Estimated Sales Tax Liability

\$61,720.00

Estimated Penalties

\$12,344.00

Estimated Interest

\$3,439.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$500,000/\$100,000	500/200
2022	Revenue OR Transactions	\$250,000/\$100,000	250/200
2021	Revenue OR Transactions	\$125,000/\$100,000	125/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$400,000	\$35,280.00	\$7,056.00	\$2,469.60	\$44,805.60
2022	\$200,000	\$17,620.00	\$3,524.00	\$704.80	\$21,848.80
2021	\$100,000	\$8,820.00	\$1,764.00	\$264.60	\$10,848.60

Recommendations

Voluntary Disclosure Recommended

Notes

None

Indiana

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$0/\$100,000	0/200
2022	Revenue OR Transactions	\$0/\$100,000	0/200
2021	Revenue OR Transactions	\$0/\$100,000	0/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00**Physical Presence Exposure - None**

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$0/\$100,000	Does not apply
2022	Revenue Only	\$0/\$100,000	Does not apply
2021	Revenue Only	\$0/\$100,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Kansas

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$75,000

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$50,000/\$100,000	Does not apply
2022	Revenue Only	\$25,000/\$100,000	Does not apply
2021	Revenue Only	\$0/\$100,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$40,000	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$20,000	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - Detected

Year	Exposed	Exposure Type
2023	Yes	Physical Locations
2022	Yes	Physical Locations
2021	Yes	Physical Locations

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$0/\$100,000	0/200
2022	Revenue OR Transactions	\$0/\$100,000	0/200
2021	Revenue OR Transactions	\$0/\$100,000	0/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

Registration Recommended

Notes

None

Louisiana

Total Estimated Liability

\$52,427.59

Total Estimated Revenue

\$610,000

Estimated Sales Tax Liability

\$39,346.00

Estimated Penalties

\$9,836.50

Estimated Interest

\$3,245.09

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$300,000/\$100,000	300/200
2022	Revenue OR Transactions	\$215,000/\$100,000	2,150/200
2021	Revenue OR Transactions	\$95,000/\$100,000	9/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$240,000	\$22,920.00	\$5,730.00	\$2,177.40	\$30,827.40
2022	\$172,000	\$16,426.00	\$4,106.50	\$1,067.69	\$21,600.19
2021	\$76,000	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

Voluntary Disclosure Recommended

Notes

None

Maine

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$0/\$100,000	Does not apply
2022	Revenue Only	\$0/\$100,000	Does not apply
2021	Revenue OR Transactions	\$0/\$100,000	0/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Maryland

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$0/\$100,000	0/200
2022	Revenue OR Transactions	\$0/\$100,000	0/200
2021	Revenue OR Transactions	\$0/\$100,000	0/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Massachusetts

Total Estimated Liability

\$29,608.50

Total Estimated Revenue

\$503,000

Estimated Sales Tax Liability

\$22,450.00

Estimated Penalties

\$5,612.50

Estimated Interest

\$1,546.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$249,000/\$100,000	Does not apply
2022	Revenue Only	\$200,000/\$100,000	Does not apply
2021	Revenue Only	\$54,000/\$100,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$199,200	\$12,450.00	\$3,112.50	\$996.00	\$16,558.50
2022	\$160,000	\$10,000.00	\$2,500.00	\$550.00	\$13,050.00
2021	\$43,200	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

Voluntary Disclosure Recommended

Notes

None

Michigan

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$0/\$100,000	0/200
2022	Revenue OR Transactions	\$0/\$100,000	0/200
2021	Revenue OR Transactions	\$0/\$100,000	0/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Total Estimated Liability

\$19,354.16

Total Estimated Revenue

\$325,000

Estimated Sales Tax Liability

\$14,980.00

Estimated Penalties

\$3,745.00

Estimated Interest

\$629.16

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$150,000/\$100,000	150/200
2022	Revenue OR Transactions	\$100,000/\$100,000	10/200
2021	Revenue OR Transactions	\$75,000/\$100,000	75/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$120,000	\$8,988.00	\$2,247.00	\$449.40	\$11,684.40
2022	\$80,000	\$5,992.00	\$1,498.00	\$179.76	\$7,669.76
2021	\$60,000	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

Voluntary Disclosure Recommended

Notes

None

Mississippi

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$0/\$250,000	Does not apply
2022	Revenue Only	\$0/\$250,000	Does not apply
2021	Revenue Only	\$0/\$250,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Total Estimated Liability

\$65,473.80

Total Estimated Revenue

\$2,050,000

Estimated Sales Tax Liability

\$49,980.00

Estimated Penalties

\$12,495.00

Estimated Interest

\$2,998.80

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$750,000/\$100,000	Does not apply
2022	N/A	\$0/\$0	0/0
2021	N/A	\$0/\$0	0/0

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$600,000	\$49,980.00	\$12,495.00	\$2,998.80	\$65,473.80
2022	\$560,000	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$480,000	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

Registration Recommended

Notes

None

State doesn't have a sales tax

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$0/\$100,000	0/200
2022	Revenue OR Transactions	\$0/\$100,000	0/200
2021	Revenue OR Transactions	\$0/\$100,000	0/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Total Estimated Liability

\$176,286.60

Total Estimated Revenue

\$2,250,000

Estimated Sales Tax Liability

\$148,140.00

Estimated Penalties

\$14,814.00

Estimated Interest

\$13,332.60

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$1,000,000/\$100,000	10/200
2022	Revenue OR Transactions	\$750,000/\$100,000	8/200
2021	Revenue OR Transactions	\$500,000/\$100,000	6/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$800,000	\$65,840.00	\$6,584.00	\$5,925.60	\$78,349.60
2022	\$600,000	\$49,380.00	\$4,938.00	\$4,444.20	\$58,762.20
2021	\$400,000	\$32,920.00	\$3,292.00	\$2,962.80	\$39,174.80

Recommendations

Voluntary Disclosure Recommended

Notes

None

State doesn't have a sales tax

New Jersey

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$0/\$100,000	0/200
2022	Revenue OR Transactions	\$0/\$100,000	0/200
2021	Revenue OR Transactions	\$0/\$100,000	0/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

New Mexico

Total Estimated Liability

\$13,301.69

Total Estimated Revenue

\$170,677

Estimated Sales Tax Liability

\$10,628.81

Estimated Penalties

\$2,125.76

Estimated Interest

\$547.12

Physical Presence Exposure - Detected

Year	Exposed	Exposure Type
2023	Yes	Physical Locations
2022	Yes	Physical Locations
2021	Yes	Physical Locations

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$75,000/\$100,000	Does not apply
2022	Revenue Only	\$45,677/\$100,000	Does not apply
2021	Revenue Only	\$50,000/\$100,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$60,000	\$4,632.00	\$926.40	\$324.24	\$5,882.64
2022	\$36,541	\$2,864.81	\$572.96	\$128.92	\$3,566.69
2021	\$40,000	\$3,132.00	\$626.40	\$93.96	\$3,852.36

Recommendations

Discussion or Review Needed

Notes

None

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - Detected

Year	Exposed	Exposure Type
2023	Yes	Employees
2022	Yes	Employees
2021	Yes	Employees

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue AND Transactions	\$0/\$500,000	0/100
2022	Revenue AND Transactions	\$0/\$500,000	0/100
2021	Revenue AND Transactions	\$0/\$500,000	0/100

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

Discussion or Review Needed

Notes

None

North Carolina

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$0/\$100,000	0/200
2022	Revenue OR Transactions	\$0/\$100,000	0/200
2021	Revenue OR Transactions	\$0/\$100,000	0/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

North Dakota

Total Estimated Liability

\$54,966.59

Total Estimated Revenue

\$720,000

Estimated Sales Tax Liability

\$40,121.60

Estimated Penalties

\$10,030.40

Estimated Interest

\$4,814.59

Physical Presence Exposure - Detected

Year	Exposed	Exposure Type
2023	Yes	Employees
2022	Yes	Employees
2021	Yes	Employees

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$400,000/\$100,000	Does not apply
2022	Revenue Only	\$300,000/\$100,000	Does not apply
2021	Revenue Only	\$20,000/\$100,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$320,000	\$22,304.00	\$5,576.00	\$2,676.48	\$30,556.48
2022	\$240,000	\$16,704.00	\$4,176.00	\$2,004.48	\$22,884.48
2021	\$16,000	\$1,113.60	\$278.40	\$133.63	\$1,525.63

Recommendations

Voluntary Disclosure Recommended

Notes

None

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00**Physical Presence Exposure - None**

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$0/\$100,000	0/200
2022	Revenue OR Transactions	\$0/\$100,000	0/200
2021	Revenue OR Transactions	\$0/\$100,000	0/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Total Estimated Liability

\$78,512.50

Total Estimated Revenue

\$875,000

Estimated Sales Tax Liability

\$62,810.00

Estimated Penalties

\$6,281.00

Estimated Interest

\$9,421.50

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$500,000/\$100,000	Does not apply
2022	Revenue Only	\$250,000/\$100,000	Does not apply
2021	Revenue Only	\$125,000/\$100,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$400,000	\$35,920.00	\$3,592.00	\$5,388.00	\$44,900.00
2022	\$200,000	\$17,940.00	\$1,794.00	\$2,691.00	\$22,425.00
2021	\$100,000	\$8,950.00	\$895.00	\$1,342.50	\$11,187.50

Recommendations

Voluntary Disclosure Recommended

Notes

None

State doesn't have a sales tax

Pennsylvania

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$0/\$100,000	Does not apply
2022	Revenue Only	\$0/\$100,000	Does not apply
2021	Revenue Only	\$0/\$100,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Rhode Island

Total Estimated Liability

\$3,584.00

Total Estimated Revenue

\$75,000

Estimated Sales Tax Liability

\$2,800.00

Estimated Penalties

\$280.00

Estimated Interest

\$504.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$50,000/\$100,000	200/200
2022	Revenue OR Transactions	\$25,000/\$100,000	150/200
2021	Revenue OR Transactions	\$0/\$100,000	0/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$40,000	\$2,800.00	\$280.00	\$504.00	\$3,584.00
2022	\$20,000	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

Registration Recommended

Notes

None

South Carolina

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$0/\$100,000	Does not apply
2022	Revenue Only	\$0/\$100,000	Does not apply
2021	Revenue Only	\$0/\$100,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

South Dakota

Total Estimated Liability

\$32,168.96

Total Estimated Revenue

\$610,000

Estimated Sales Tax Liability

\$26,368.00

Estimated Penalties

\$2,636.80

Estimated Interest

\$3,164.16

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$300,000/\$100,000	Does not apply
2022	Revenue OR Transactions	\$215,000/\$100,000	2,150/200
2021	Revenue OR Transactions	\$95,000/\$100,000	9/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$240,000	\$15,360.00	\$1,536.00	\$1,843.20	\$18,739.20
2022	\$172,000	\$11,008.00	\$1,100.80	\$1,320.96	\$13,429.76
2021	\$76,000	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

Voluntary Disclosure Recommended

Notes

None

Tennessee

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$0/\$100,000	Does not apply
2022	Revenue Only	\$0/\$100,000	Does not apply
2021	Revenue Only	\$0/\$100,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$0/\$500,000	Does not apply
2022	Revenue Only	\$0/\$500,000	Does not apply
2021	Revenue Only	\$0/\$500,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Total Estimated Liability

\$32,834.14

Total Estimated Revenue

\$503,000

Estimated Sales Tax Liability

\$28,932.56

Estimated Penalties

\$2,893.26

Estimated Interest

\$1,008.32**Physical Presence Exposure - None**

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$249,000/\$100,000	249/200
2022	Revenue OR Transactions	\$200,000/\$100,000	28/200
2021	Revenue OR Transactions	\$54,000/\$100,000	540/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$199,200	\$14,322.48	\$1,432.25	\$716.12	\$16,470.85
2022	\$160,000	\$11,504.00	\$1,150.40	\$230.08	\$12,884.48
2021	\$43,200	\$3,106.08	\$310.61	\$62.12	\$3,478.81

Recommendations

Voluntary Disclosure Recommended

Notes

None

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$0/\$100,000	0/200
2022	Revenue OR Transactions	\$0/\$100,000	0/200
2021	Revenue OR Transactions	\$0/\$100,000	0/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Total Estimated Liability

\$4,795.50

Total Estimated Revenue

\$170,677

Estimated Sales Tax Liability

\$3,450.00

Estimated Penalties

\$1,035.00

Estimated Interest

\$310.50

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$75,000/\$100,000	200/200
2022	Revenue OR Transactions	\$45,677/\$100,000	150/200
2021	Revenue OR Transactions	\$50,000/\$100,000	0/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$60,000	\$3,450.00	\$1,035.00	\$310.50	\$4,795.50
2022	\$36,541	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$40,000	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

Registration Recommended

Notes

None

Washington

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$0/\$100,000	Does not apply
2022	Revenue Only	\$0/\$100,000	Does not apply
2021	Revenue Only	\$0/\$100,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

West Virginia

Total Estimated Liability

\$49,383.12

Total Estimated Revenue

\$720,000

Estimated Sales Tax Liability

\$36,608.00

Estimated Penalties

\$9,152.00

Estimated Interest

\$3,623.12

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - Exceeded Threshold

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$400,000/\$100,000	300/200
2022	Revenue OR Transactions	\$300,000/\$100,000	2,150/200
2021	Revenue OR Transactions	\$20,000/\$100,000	9/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$320,000	\$20,960.00	\$5,240.00	\$2,410.40	\$28,610.40
2022	\$240,000	\$15,648.00	\$3,912.00	\$1,212.72	\$20,772.72
2021	\$16,000	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

Voluntary Disclosure Recommended

Notes

None

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$0

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue Only	\$0/\$100,000	Does not apply
2022	Revenue Only	\$0/\$100,000	Does not apply
2021	Revenue Only	\$0/\$100,000	Does not apply

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0	\$0.00	\$0.00	\$0.00	\$0.00
2021	\$0	\$0.00	\$0.00	\$0.00	\$0.00

Recommendations

None

Notes

None

Wyoming

Already filing sales tax returns

Total Estimated Liability

\$0.00

Total Estimated Revenue

\$875,000

Estimated Sales Tax Liability

\$0.00

Estimated Penalties

\$0.00

Estimated Interest

\$0.00

Physical Presence Exposure - None

Year	Exposed	Exposure Type
2023	No	N/A
2022	No	N/A
2021	No	N/A

Economic Nexus - None

Year	Threshold Type(s)	Revenue/Threshold	Transaction/Threshold
2023	Revenue OR Transactions	\$500,000/\$100,000	249/200
2022	Revenue OR Transactions	\$250,000/\$100,000	28/200
2021	Revenue OR Transactions	\$125,000/\$100,000	540/200

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2023	\$0	Sales tax has been filed for this year.			\$0.00
2022	\$0	Sales tax has been filed for this year.			\$0.00
2021	\$0	Sales tax has been filed for this year.			\$0.00

Recommendations

None

Notes

In compliance with state law

Appendix

***Sales Tax Rate Used**

All sales tax rates used in this report were from the Tax Foundation. The preparer of this report chose to use average/highest sales tax rate for the report years.

Disclaimer

The software provided by this platform is intended to serve as a diagnostic tool and does not constitute legal, financial, or tax advice. We strongly advise users to consult with a qualified tax professional to obtain personalized advice tailored to their specific needs and circumstances. Please note that this report does not consider certain considerations, including:

Taxability: The report does not automatically consider taxability, however, practitioner may take it into account when including taxable income for exposure calculations and recommendations.

Temporary locations or temporary employment: The report does not consider temporary locations or temporary employment that may trigger tax obligations in certain states or jurisdictions.

Basic physical presence laws: The report only considers basic physical presence laws relating to employees, physical locations, and locations of Tangible personal property.

Sales tax rates: The report uses Tax Foundation's average sales tax rates or highest sales tax rates for exposure calculations, whichever the practitioner has chosen, which may not reflect the actual tax rates in certain states or jurisdictions.

Exemption from taxation: The report does not consider whether the company is exempt from taxation, which may vary by state or jurisdiction.

Interest Rate: The report uses Bloomberg Tax's (BNA) average sales tax rates or highest sales tax rates for exposure calculations, whichever the practitioner has chosen, which may not reflect the actual interest rates in certain quarters in the year.

Penalty Rates: Penalty rates are taken from Bloomberg Tax (BNA).

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Rate Table

Sales tax rates values were provided by the Tax Foundation. Penalty and Interest rates were provided by Bloomberg Tax.

Sales tax rates uses the average combined sales tax rate for each state and the interest rates are averaged for each year.

State	Year	Sales Tax Rate	Penalty Rate	Interest Rate
AL	2023	9.25%	10.0%	7.0%
AL	2022	9.24%	10.0%	4.5%
AL	2021	9.22%	10.0%	3.0%
AK	2023	1.76%	25.0%	10.0%
AK	2022	1.76%	25.0%	6.69%
AK	2021	1.76%	25.0%	5.5%
AZ	2023	8.37%	25.0%	7.0%
AZ	2022	8.4%	25.0%	4.5%
AZ	2021	8.4%	25.0%	3.0%
AR	2023	9.46%	25.0%	10.0%
AR	2022	9.47%	25.0%	10.0%
AR	2021	9.51%	25.0%	10.0%
CA	2023	8.82%	10.0%	9.0%
CA	2022	8.82%	10.0%	6.0%
CA	2021	8.68%	10.0%	6.0%
CO	2023	7.78%	18.0%	8.0%
CO	2022	7.77%	18.0%	6.0%
CO	2021	7.72%	18.0%	6.0%
CT	2023	6.35%	15.0%	12.0%
CT	2022	6.35%	15.0%	12.0%
CT	2021	6.35%	15.0%	12.0%
DE	2023	0.0%	0.0%	0.0%
DE	2022	0.0%	0.0%	0.0%
DE	2021	0.0%	0.0%	0.0%
DC	2023	6.0%	25.0%	10.0%
DC	2022	6.0%	25.0%	10.0%
DC	2021	6.0%	25.0%	10.0%
FL	2023	7.02%	10.0%	10.0%
FL	2022	7.01%	10.0%	7.0%
FL	2021	7.08%	10.0%	7.0%
GA	2023	7.4%	25.0%	10.5%
GA	2022	7.35%	25.0%	6.25%
GA	2021	7.32%	25.0%	6.25%
HI	2023	4.44%	25.0%	8.0%

State	Year	Sales Tax Rate	Penalty Rate	Interest Rate
HI	2022	4.44%	25.0%	8.0%
HI	2021	4.44%	25.0%	8.0%
ID	2023	6.02%	25.0%	5.0%
ID	2022	6.02%	25.0%	3.0%
ID	2021	6.03%	25.0%	2.0%
IL	2023	8.82%	20.0%	7.0%
IL	2022	8.81%	20.0%	4.0%
IL	2021	8.82%	20.0%	3.0%
IN	2023	7.0%	10.0%	2.0%
IN	2022	7.0%	10.0%	3.0%
IN	2021	7.0%	10.0%	4.0%
IA	2023	6.94%	5.0%	6.0%
IA	2022	6.94%	5.0%	5.0%
IA	2021	6.94%	10.0%	6.0%
KS	2023	8.66%	24.0%	6.0%
KS	2022	8.7%	24.0%	4.0%
KS	2021	8.69%	24.0%	4.0%
KY	2023	6.0%	20.0%	8.0%
KY	2022	6.0%	20.0%	5.0%
KY	2021	6.0%	20.0%	5.0%
LA	2023	9.55%	25.0%	9.5%
LA	2022	9.55%	25.0%	6.5%
LA	2021	9.52%	25.0%	6.5%
ME	2023	5.5%	25.0%	7.0%
ME	2022	5.5%	25.0%	5.0%
ME	2021	5.5%	25.0%	5.0%
MD	2023	6.0%	10.0%	9.0%
MD	2022	6.0%	10.0%	9.5%
MD	2021	6.0%	10.0%	10.0%
MA	2023	6.25%	25.0%	8.0%
MA	2022	6.25%	25.0%	5.5%
MA	2021	6.25%	25.0%	4.0%
MI	2023	6.0%	25.0%	6.95%
MI	2022	6.0%	25.0%	4.26%
MI	2021	6.0%	25.0%	4.25%
MN	2023	7.49%	25.0%	5.0%
MN	2022	7.49%	25.0%	3.0%
MN	2021	7.46%	25.0%	3.0%
MS	2023	7.07%	10.0%	6.0%
MS	2022	7.07%	10.0%	6.0%
MS	2021	7.07%	10.0%	6.0%

State	Year	Sales Tax Rate	Penalty Rate	Interest Rate
MO	2023	8.33%	25.0%	6.0%
MO	2022	8.29%	25.0%	3.0%
MO	2021	8.25%	25.0%	3.0%
MT	2023	0.0%	0.0%	0.0%
MT	2022	0.0%	0.0%	0.0%
MT	2021	0.0%	0.0%	0.0%
NE	2023	6.95%	10.0%	5.0%
NE	2022	6.94%	10.0%	3.0%
NE	2021	6.94%	10.0%	3.0%
NV	2023	8.23%	10.0%	9.0%
NV	2022	8.23%	10.0%	9.0%
NV	2021	8.23%	10.0%	9.0%
NH	2023	0.0%	0.0%	0.0%
NH	2022	0.0%	0.0%	0.0%
NH	2021	0.0%	0.0%	0.0%
NJ	2023	6.6%	25.0%	10.0%
NJ	2022	6.6%	25.0%	7.38%
NJ	2021	6.6%	25.0%	6.25%
NM	2023	7.72%	20.0%	7.0%
NM	2022	7.84%	20.0%	4.5%
NM	2021	7.83%	20.0%	3.0%
NY	2023	8.52%	30.0%	14.5%
NY	2022	8.52%	30.0%	14.5%
NY	2021	8.52%	30.0%	14.5%
NC	2023	6.99%	25.0%	7.0%
NC	2022	6.98%	25.0%	5.0%
NC	2021	6.98%	25.0%	5.0%
ND	2023	6.97%	25.0%	12.0%
ND	2022	6.96%	25.0%	12.0%
ND	2021	6.96%	25.0%	12.0%
OH	2023	7.24%	10.0%	5.0%
OH	2022	7.22%	10.0%	3.0%
OH	2021	7.23%	10.0%	3.0%
OK	2023	8.98%	10.0%	15.0%
OK	2022	8.97%	10.0%	15.0%
OK	2021	8.95%	10.0%	15.0%
OR	2023	0.0%	0.0%	0.0%
OR	2022	0.0%	0.0%	0.0%
OR	2021	0.0%	0.0%	0.0%
PA	2023	6.34%	25.0%	7.0%
PA	2022	6.34%	25.0%	3.0%

State	Year	Sales Tax Rate	Penalty Rate	Interest Rate
PA	2021	6.34%	25.0%	3.0%
RI	2023	7.0%	10.0%	18.0%
RI	2022	7.0%	10.0%	18.0%
RI	2021	7.0%	10.0%	18.0%
SC	2023	7.43%	25.0%	7.0%
SC	2022	7.44%	25.0%	4.5%
SC	2021	7.46%	25.0%	3.0%
SD	2023	6.4%	10.0%	12.0%
SD	2022	6.4%	10.0%	12.0%
SD	2021	6.4%	10.0%	12.0%
TN	2023	9.55%	25.0%	8.0%
TN	2022	9.55%	25.0%	7.63%
TN	2021	9.55%	25.0%	7.25%
TX	2023	8.2%	10.0%	4.25%
TX	2022	8.2%	10.0%	4.25%
TX	2021	8.19%	10.0%	4.25%
UT	2023	7.19%	10.0%	5.0%
UT	2022	7.19%	10.0%	2.0%
UT	2021	7.19%	10.0%	2.0%
VT	2023	6.3%	25.0%	4.0%
VT	2022	6.24%	25.0%	3.25%
VT	2021	6.24%	25.0%	4.0%
VA	2023	5.75%	30.0%	9.0%
VA	2022	5.75%	30.0%	6.5%
VA	2021	5.73%	30.0%	5.0%
WA	2023	8.86%	29.0%	3.0%
WA	2022	9.29%	29.0%	2.0%
WA	2021	9.23%	29.0%	3.0%
WV	2023	6.55%	25.0%	11.5%
WV	2022	6.52%	25.0%	7.75%
WV	2021	6.5%	25.0%	7.75%
WI	2023	5.43%	25.0%	12.0%
WI	2022	5.43%	25.0%	12.0%
WI	2021	5.43%	25.0%	12.0%
WY	2023	5.36%	10.0%	11.0%
WY	2022	5.22%	10.0%	7.25%
WY	2021	5.33%	10.0%	8.45%