

Sales Tax Nexus Report

PRESENTED TO
Sample Client

PREPARED BY
Tax Consulting Group, LLC

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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

Total Estimated Liability

\$1,756,990

Total Estimated Revenue

\$32,485,107

Physical Presence Exposure

3 States

Economic Nexus Exposure

26 States

Already Filing Sales Tax Returns

2 States

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

Liability Summary

State	Nexus Triggering Date	Triggering Nexus	Sales Tax Liability	Interest	Penalties	Total Liability
AR	4/30/2023	Economic Nexus	\$1,859	\$465	\$186	\$2,509
CA	6/3/2022	Economic Nexus	\$200,791	\$20,079	\$17,393	\$238,263
CO	6/1/2021	Physical Presence	\$47,831	\$8,610	\$3,505	\$59,945
FL	6/11/2019	Physical Presence	\$90,732	\$9,073	\$7,546	\$107,351
GA	12/28/2021	Economic Nexus	\$33,881	\$8,470	\$2,829	\$45,180
ID	2/3/2022	Economic Nexus	\$9,448	\$2,362	\$409	\$12,219
IL	10/18/2021	Economic Nexus	\$174,722	\$34,945	\$9,916	\$219,583
IN	4/11/2022	Economic Nexus	\$42,890	\$4,289	\$925	\$48,104
IA	8/11/2022	Economic Nexus	\$11,534	\$577	\$692	\$12,803
KS	12/22/2021	Economic Nexus	\$17,752	\$4,260	\$939	\$22,951
KY	9/2/2022	Economic Nexus	\$4,462	\$892	\$357	\$5,711
LA	7/27/2023	Economic Nexus	\$110	\$27	\$10	\$148
MD	4/18/2023	Economic Nexus	\$4,591	\$459	\$413	\$5,463
MA	2/17/2022	Economic Nexus	\$39,668	\$9,917	\$3,094	\$52,679
MI	7/15/2022	Economic Nexus	\$26,466	\$6,616	\$1,839	\$34,921
MO	9/2/2022	Economic Nexus	\$26,521	\$6,630	\$1,591	\$34,743
NJ	9/13/2021	Economic Nexus	\$69,501	\$17,375	\$6,275	\$93,151
NY	1/3/2022	Economic Nexus	\$130,908	\$39,272	\$18,982	\$189,162
NC	11/19/2021	Economic Nexus	\$112,394	\$28,098	\$6,685	\$147,177
OH	11/26/2021	Economic Nexus	\$45,012	\$4,501	\$1,984	\$51,497
PA	11/26/2021	Economic Nexus	\$31,348	\$7,837	\$1,750	\$40,935
SC	6/8/2022	Economic Nexus	\$8,952	\$2,238	\$612	\$11,802
TN	12/8/2021	Economic Nexus	\$19,519	\$4,880	\$1,542	\$25,940
TX	12/14/2021	Economic Nexus	\$142,817	\$14,282	\$6,070	\$163,169
UT	9/1/2022	Economic Nexus	\$10,634	\$1,063	\$531	\$12,228
VA	10/27/2021	Economic Nexus	\$54,215	\$16,264	\$4,173	\$74,652

State	Nexus Triggering Date	Triggering Nexus	Sales Tax Liability	Interest	Penalties	Total Liability
WA	5/2/2022	Economic Nexus	\$30,818	\$8,937	\$881	\$40,636
WI	4/6/2023	Economic Nexus	\$2,969	\$742	\$356	\$4,068
			\$1,392,343	\$101,484	\$263,163	\$1,756,990

Recommendations

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

Registrations

Iowa, Maryland, Missouri,
Pennsylvania, South Carolina,
Tennessee, Utah

Voluntary Disclosures

California, Colorado, Florida,
Illinois, Indiana, Kansas,
Massachusetts, Michigan,
New Jersey, New York, North
Carolina, Ohio, Virginia,
Washington

Taxability Reviews

Georgia

Monitor Sales

No States Selected

Further Discussion

Idaho, Kentucky, Ohio, Texas,
Washington

Other

No States Selected

Alabama

Total Liability

\$0

Gross Revenue

\$319,203

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for Alabama

Economic Nexus Activity

The nexus analysis window for Alabama looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2024 to 06/30/2024	\$0/\$250,000	Does not apply	Revenue
01/01/2023 to 12/31/2023	\$197,764/\$250,000	Does not apply	Revenue
01/01/2022 to 12/31/2022	\$89,074/\$250,000	Does not apply	Revenue
01/01/2021 to 12/31/2021	\$32,367/\$250,000	Does not apply	Revenue
01/01/2020 to 12/31/2020	\$0/\$250,000	Does not apply	Revenue

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

Alaska

Total Liability

\$0

Gross Revenue

\$21,837

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for Alaska

Economic Nexus Activity

The nexus analysis window for Alaska looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2024 to 06/30/2024	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2023 to 12/31/2023	\$19,391/\$100,000	17/200	Revenue or Trans.
01/01/2022 to 12/31/2022	\$1,988/\$100,000	12/200	Revenue or Trans.
01/01/2021 to 12/31/2021	\$459/\$100,000	2/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

Arizona

Already filing sales tax returns

Total Liability

\$0

Gross Revenue

\$1,123,791

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for Arizona

Economic Nexus Activity

There is no economic activity

Recommendations

None

Notes

None

Arkansas

Total Liability

\$2,509

Gross Revenue

\$74,182

Sales Tax Liability

\$1,859

Penalties

\$465

Interest

\$186

Nexus Triggered On

4/30/2023

Register By

4/30/2023

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Arkansas

Economic Nexus Activity

The nexus analysis window for Arkansas looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2023 to 04/30/2023	\$29,163/\$100,000	63/200	Revenue or Trans.
01/01/2022 to 12/31/2022	\$21,128/\$100,000	98/200	Revenue or Trans.
01/01/2021 to 12/31/2021	\$4,539/\$100,000	22/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2019 to 12/31/2019	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$19,649	\$1,859	\$465	\$186	\$2,509

Recommendations

None

Notes

None

California

Total Liability

\$238,263

Gross Revenue

\$3,145,984

Sales Tax Liability

\$200,791

Penalties

\$20,079

Interest

\$17,393

Nexus Triggered On

6/3/2022

Register By

6/3/2022

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for California

Economic Nexus Activity

The nexus analysis window for California looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2022 to 06/30/2022	\$613,416/\$500,000	Does not apply	Revenue
01/01/2021 to 12/31/2021	\$374,784/\$500,000	Does not apply	Revenue
01/01/2020 to 12/31/2020	\$0/\$500,000	Does not apply	Revenue
01/01/2019 to 12/31/2019	\$0/\$500,000	Does not apply	Revenue
01/01/2018 to 12/31/2018	\$0/\$500,000	Does not apply	Revenue

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$2,020,071	\$178,170	\$17,817	\$16,035	\$212,023
2022	\$256,474	\$22,621	\$2,262	\$1,357	\$26,240

Recommendations

Voluntary Disclosure Recommended

Notes

None

Total Liability

\$59,945

Gross Revenue

\$716,213

Sales Tax Liability

\$47,831

Penalties

\$8,610

Interest

\$3,505

Nexus Triggered On

6/1/2021

Register By

6/1/2021

Triggered By

Physical Presence

Physical Presence

Triggered by Inventory on 06/01/21

Economic Nexus Activity

The nexus analysis window for Colorado looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2021 to 12/31/2021	\$108,607/\$100,000	Does not apply	Revenue
01/01/2020 to 12/31/2020	\$0/\$100,000	Does not apply	Revenue
01/01/2019 to 12/31/2019	\$0/\$100,000	Does not apply	Revenue
01/01/2019 to 04/30/2019	\$0/\$100,000	Does not apply	Revenue
01/01/2018 to 12/31/2018 *	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$407,977	\$31,741	\$5,713	\$2,539	\$39,993
2022	\$102,770	\$7,985	\$1,437	\$479	\$9,902
2021	\$104,983	\$8,105	\$1,459	\$486	\$10,050

Recommendations

Voluntary Disclosure Recommended

Notes

Sample client wouldn't save any money by going through the VDA process.

Connecticut

Total Liability

\$0

Gross Revenue

\$745,464

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for Connecticut

Economic Nexus Activity

The nexus analysis window for Connecticut looks at the fiscal year between October 1st and September 30th.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
10/01/2023 to 06/30/2024	\$0/\$100,000	0/200	Revenue and Trans.
10/01/2022 to 09/30/2023	\$673,048/\$100,000	104/200	Revenue and Trans.
10/01/2021 to 09/30/2022	\$72,143/\$100,000	131/200	Revenue and Trans.
10/01/2020 to 09/30/2021	\$274/\$100,000	7/200	Revenue and Trans.
10/01/2019 to 09/30/2020	\$0/\$100,000	0/200	Revenue and Trans.

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

State doesn't have a sales tax

District of Columbia

Total Liability

\$0

Gross Revenue

\$93,447

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for District of Columbia

Economic Nexus Activity

The nexus analysis window for District of Columbia looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2024 to 06/30/2024	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2023 to 12/31/2023	\$72,525/\$100,000	43/200	Revenue or Trans.
01/01/2022 to 12/31/2022	\$19,741/\$100,000	45/200	Revenue or Trans.
01/01/2021 to 12/31/2021	\$1,182/\$100,000	12/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

Total Liability

\$107,351

Gross Revenue

\$1,305,164

Sales Tax Liability

\$90,732

Penalties

\$9,073

Interest

\$7,546

Nexus Triggered On

6/11/2019

Register By

6/11/2019

Triggered By

Physical Presence

Physical Presence

*See the "Physical Presence" in the Appendix for a description of the physical presence.

Triggered by Employee on 06/11/19

Economic Nexus Activity

The nexus analysis window for Florida looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2021 to 12/31/2021	\$111,886/\$100,000	Does not apply	Revenue
01/01/2020 to 12/31/2020	\$0/\$100,000	Does not apply	Revenue

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$567,242	\$39,820	\$3,982	\$3,982	\$47,784
2022	\$621,269	\$43,551	\$4,355	\$3,049	\$50,955
2021	\$103,959	\$7,360	\$736	\$515	\$8,612
2020	\$0	\$0	\$0	\$0	\$0
2019	\$0	\$0	\$0	\$0	\$0

Recommendations

Voluntary Disclosure Recommended

Notes

None

Total Liability

\$45,180

Gross Revenue

\$526,671

Sales Tax Liability

\$33,881

Penalties

\$8,470

Interest

\$2,829

Nexus Triggered On

12/28/2021

Register By

12/28/2021

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Georgia

Economic Nexus Activity

The nexus analysis window for Georgia looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2021 to 12/31/2021	\$130,346/\$100,000	125/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2019 to 12/31/2019 *	\$0/\$250,000	0/200	Revenue or Trans.
01/01/2018 to 12/31/2018	\$0/\$250,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$226,224	\$16,741	\$4,185	\$1,758	\$22,684
2022	\$152,781	\$11,229	\$2,807	\$702	\$14,739
2021	\$80,747	\$5,911	\$1,478	\$369	\$7,758

Recommendations

Taxability Review Recommended

Notes

Taxability of Sample Client may need to be reviewed to determine if sales in the state are taxable.

Hawaii

Total Liability

\$0

Gross Revenue

\$25,378

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for Hawaii

Economic Nexus Activity

The nexus analysis window for Hawaii looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2024 to 06/30/2024	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2023 to 12/31/2023	\$20,991/\$100,000	33/200	Revenue or Trans.
01/01/2022 to 12/31/2022	\$4,119/\$100,000	21/200	Revenue or Trans.
01/01/2021 to 12/31/2021	\$268/\$100,000	3/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

Total Liability

\$12,219

Gross Revenue

\$521,452

Sales Tax Liability

\$9,448

Penalties

\$2,362

Interest

\$409

Nexus Triggered On

2/3/2022

Register By

2/3/2022

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Idaho

Economic Nexus Activity

The nexus analysis window for Idaho looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2022 to 02/28/2022	\$188,257/\$100,000	Does not apply	Revenue
01/01/2021 to 12/31/2021	\$71,500/\$100,000	Does not apply	Revenue
01/01/2020 to 12/31/2020	\$0/\$100,000	Does not apply	Revenue
01/01/2019 to 12/31/2019	\$0/\$100,000	Does not apply	Revenue
01/01/2018 to 12/31/2018	\$0/\$100,000	Does not apply	Revenue

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$104,121	\$6,268	\$1,567	\$313	\$8,149
2022	\$52,824	\$3,180	\$795	\$95	\$4,070

Recommendations

Discussion or Review Needed

Notes

Cost of VDA may be more than the amount saved.

Total Liability

\$219,583

Gross Revenue

\$2,247,793

Sales Tax Liability

\$174,722

Penalties

\$34,945

Interest

\$9,916

Nexus Triggered On

10/18/2021

Register By

12/31/2021

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Illinois

Economic Nexus Activity

The nexus analysis window for Illinois looks at the preceding 12 months.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
11/01/2020 to 10/31/2021	\$189,241/\$100,000	76/200	Revenue or Trans.
10/01/2020 to 09/30/2021	\$77,573/\$100,000	30/200	Revenue or Trans.
09/01/2020 to 08/31/2021	\$0/\$100,000	0/200	Revenue or Trans.
08/01/2020 to 07/31/2021	\$0/\$100,000	0/200	Revenue or Trans.
07/01/2020 to 06/30/2021	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$1,124,367	\$99,169	\$19,834	\$6,942	\$125,945
2022	\$803,501	\$70,788	\$14,158	\$2,832	\$87,778
2021	\$54,023	\$4,765	\$953	\$143	\$5,861

Recommendations

Voluntary Disclosure Recommended

Notes

None

Total Liability

\$48,104

Gross Revenue

\$949,100

Sales Tax Liability

\$42,890

Penalties

\$4,289

Interest

\$925

Nexus Triggered On

4/11/2022

Register By

4/11/2022

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Indiana

Economic Nexus Activity

The nexus analysis window for Indiana looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2022 to 04/30/2022	\$102,624/\$100,000	84/200	Revenue or Trans.
01/01/2021 to 12/31/2021	\$81,570/\$100,000	89/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2019 to 12/31/2019	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2018 to 12/31/2018	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$516,662	\$36,166	\$3,617	\$723	\$40,506
2022	\$96,056	\$6,724	\$672	\$202	\$7,598

Recommendations

Voluntary Disclosure Recommended

Notes

None

Total Liability

\$12,803

Gross Revenue

\$239,366

Sales Tax Liability

\$11,534

Penalties

\$577

Interest

\$692

Nexus Triggered On

8/11/2022

Register By

9/1/2022

Triggered By

Economic Nexus**Physical Presence**

There is no physical presence for Iowa

Economic Nexus Activity

The nexus analysis window for Iowa looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2022 to 08/31/2022	\$56,437/\$100,000	Does not apply	Revenue
01/01/2021 to 12/31/2021	\$16,731/\$100,000	Does not apply	Revenue
01/01/2020 to 12/31/2020	\$0/\$100,000	Does not apply	Revenue
01/01/2019 to 12/31/2019	\$0/\$100,000	Does not apply	Revenue
01/01/2019 to 06/30/2019 *	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$166,199	\$11,534	\$577	\$692	\$12,803
2022	\$0	\$0	\$0	\$0	\$0

Recommendations

Registration Recommended

Notes

None

Total Liability

\$22,951

Gross Revenue

\$286,870

Sales Tax Liability

\$17,752

Penalties

\$4,260

Interest

\$939

Nexus Triggered On

12/22/2021

Register By

12/22/2021

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Kansas

Economic Nexus Activity

The nexus analysis window for Kansas looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2021 to 12/31/2021	\$131,723/\$100,000	Does not apply	Revenue
01/01/2020 to 12/31/2020	\$0/\$100,000	Does not apply	Revenue

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$132,037	\$11,434	\$2,744	\$686	\$14,865
2022	\$22,764	\$1,980	\$475	\$79	\$2,535
2021	\$49,908	\$4,337	\$1,041	\$173	\$5,551

Recommendations

Voluntary Disclosure Recommended

Notes

None

Total Liability

\$5,711

Gross Revenue

\$263,132

Sales Tax Liability

\$4,462

Penalties

\$892

Interest

\$357

Nexus Triggered On

9/2/2022

Register By

11/1/2022

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Kentucky

Economic Nexus Activity

The nexus analysis window for Kentucky looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2022 to 09/30/2022	\$170,980/\$100,000	89/200	Revenue or Trans.
01/01/2021 to 12/31/2021	\$17,787/\$100,000	34/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2019 to 12/31/2019	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2018 to 12/31/2018	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$74,366	\$4,462	\$892	\$357	\$5,711
2022	\$0	\$0	\$0	\$0	\$0

Recommendations

Discussion or Review Needed

Notes

None

Louisiana

Total Liability

\$148

Gross Revenue

\$108,478

Sales Tax Liability

\$110

Penalties

\$27

Interest

\$10

Nexus Triggered On

7/27/2023

Register By

8/26/2023

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Louisiana

Economic Nexus Activity

The nexus analysis window for Louisiana looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2023 to 07/31/2023	\$40,808/\$100,000	57/200	Revenue or Trans.
01/01/2022 to 12/31/2022	\$44,244/\$100,000	100/200	Revenue or Trans.
01/01/2021 to 12/31/2021	\$13,538/\$100,000	16/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2019 to 12/31/2019	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$1,149	\$110	\$27	\$10	\$148

Recommendations

None

Notes

None

Maine

Total Liability

\$0

Gross Revenue

\$13,735

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for Maine

Economic Nexus Activity

The nexus analysis window for Maine looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2024 to 06/30/2024	\$0/\$100,000	Does not apply	Revenue
01/01/2023 to 12/31/2023	\$13,243/\$100,000	Does not apply	Revenue
01/01/2022 to 12/31/2022	\$117/\$100,000	Does not apply	Revenue
01/01/2021 to 12/31/2021 *	\$375/\$100,000	2/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

Maryland

Total Liability

\$5,463

Gross Revenue

\$206,089

Sales Tax Liability

\$4,591

Penalties

\$459

Interest

\$413

Nexus Triggered On

4/18/2023

Register By

5/1/2023

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Maryland

Economic Nexus Activity

The nexus analysis window for Maryland looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2023 to 04/30/2023	\$46,236/\$100,000	70/200	Revenue or Trans.
01/01/2022 to 12/31/2022	\$67,308/\$100,000	119/200	Revenue or Trans.
01/01/2021 to 12/31/2021	\$16,033/\$100,000	70/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2019 to 12/31/2019	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$76,513	\$4,591	\$459	\$413	\$5,463

Recommendations

Registration Recommended

Notes

None

Massachusetts

Total Liability

\$52,679

Gross Revenue

\$957,472

Sales Tax Liability

\$39,668

Penalties

\$9,917

Interest

\$3,094

Nexus Triggered On

2/17/2022

Register By

4/1/2022

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Massachusetts

Economic Nexus Activity

The nexus analysis window for Massachusetts looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2022 to 02/28/2022	\$150,505/\$100,000	Does not apply	Revenue
01/01/2021 to 12/31/2021	\$91,052/\$100,000	Does not apply	Revenue
01/01/2020 to 12/31/2020	\$0/\$100,000	Does not apply	Revenue
01/01/2019 to 12/31/2019	\$0/\$100,000	Does not apply	Revenue
01/01/2019 to 09/30/2019 *	\$0/\$500,000	0/100	Revenue and Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$583,812	\$36,488	\$9,122	\$2,919	\$48,529
2022	\$50,873	\$3,180	\$795	\$175	\$4,149

Recommendations

Voluntary Disclosure Recommended

Notes

None

Michigan

Total Liability

\$34,921

Gross Revenue

\$531,281

Sales Tax Liability

\$26,466

Penalties

\$6,616

Interest

\$1,839

Nexus Triggered On

7/15/2022

Register By

1/1/2023

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Michigan

Economic Nexus Activity

The nexus analysis window for Michigan looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2022 to 07/31/2022	\$27,176/\$100,000	141/200	Revenue or Trans.
01/01/2021 to 12/31/2021	\$28,945/\$100,000	62/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2019 to 12/31/2019	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2018 to 12/31/2018	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$441,093	\$26,466	\$6,616	\$1,839	\$34,921

Recommendations

Voluntary Disclosure Recommended

Notes

None

Minnesota

Already filing sales tax returns

Total Liability

\$0

Gross Revenue

\$692,702

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

*See the "Physical Presence" in the Appendix for a description of the physical presence.

Triggered by Employee on 05/13/21

Economic Nexus Activity

There is no economic activity

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$0	\$0	\$0	\$0	\$0
2022	\$0	\$0	\$0	\$0	\$0
2021	\$0	\$0	\$0	\$0	\$0

Recommendations

None

Notes

None

Mississippi

Total Liability

\$0

Gross Revenue

\$83,734

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for Mississippi

Economic Nexus Activity

The nexus analysis window for Mississippi looks at the preceding 12 months.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
07/01/2023 to 06/30/2024	\$23,866/\$250,000	Does not apply	Revenue
06/01/2023 to 05/31/2024	\$25,445/\$250,000	Does not apply	Revenue
05/01/2023 to 04/30/2024	\$28,229/\$250,000	Does not apply	Revenue
04/01/2023 to 03/31/2024	\$33,602/\$250,000	Does not apply	Revenue
03/01/2023 to 02/29/2024	\$40,039/\$250,000	Does not apply	Revenue

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

Total Liability

\$34,743

Gross Revenue

\$1,129,475

Sales Tax Liability

\$26,521

Penalties

\$6,630

Interest

\$1,591

Nexus Triggered On

9/2/2022

Register By

1/1/2023

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Missouri

Economic Nexus Activity

The nexus analysis window for Missouri looks at the preceding 4 quarters.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2022 to 09/30/2022	\$731,152/\$100,000	Does not apply	Revenue
01/01/2022 to 06/30/2022	\$58,542/\$100,000	Does not apply	Revenue
01/01/2022 to 03/31/2022	\$41,551/\$100,000	Does not apply	Revenue

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$318,381	\$26,521	\$6,630	\$1,591	\$34,743

Recommendations

Registration Recommended

Notes

Client will pay less in taxes when registering than with a VDA because the grace period starts the following year in 2023 rather than the nexus triggering date of 2022.

State doesn't have a sales tax

Nebraska

Total Liability

\$0

Gross Revenue

\$61,562

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for Nebraska

Economic Nexus Activity

The nexus analysis window for Nebraska looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2024 to 06/30/2024	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2023 to 12/31/2023	\$44,256/\$100,000	57/200	Revenue or Trans.
01/01/2022 to 12/31/2022	\$12,799/\$100,000	67/200	Revenue or Trans.
01/01/2021 to 12/31/2021	\$4,508/\$100,000	26/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

Nevada

Total Liability

\$0

Gross Revenue

\$91,013

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for Nevada

Economic Nexus Activity

The nexus analysis window for Nevada looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2024 to 06/30/2024	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2023 to 12/31/2023	\$61,889/\$100,000	54/200	Revenue or Trans.
01/01/2022 to 12/31/2022	\$18,533/\$100,000	47/200	Revenue or Trans.
01/01/2021 to 12/31/2021	\$10,592/\$100,000	46/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

State doesn't have a sales tax

Total Liability

\$93,151

Gross Revenue

\$2,474,007

Sales Tax Liability

\$69,501

Penalties

\$17,375

Interest

\$6,275

Nexus Triggered On

9/13/2021

Register By

10/13/2021

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for New Jersey

Economic Nexus Activity

The nexus analysis window for New Jersey looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2021 to 09/30/2021	\$356,807/\$100,000	34/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2019 to 12/31/2019	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2018 to 12/31/2018	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2017 to 12/31/2017	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$698,238	\$46,084	\$11,521	\$4,608	\$62,213
2022	\$272,299	\$17,972	\$4,493	\$1,326	\$23,791
2021	\$82,505	\$5,445	\$1,361	\$340	\$7,147

Recommendations

Voluntary Disclosure Recommended

Notes

None

New Mexico

Total Liability

\$0

Gross Revenue

\$136,858

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for New Mexico

Economic Nexus Activity

The nexus analysis window for New Mexico looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2024 to 06/30/2024	\$0/\$100,000	Does not apply	Revenue
01/01/2023 to 12/31/2023	\$68,400/\$100,000	Does not apply	Revenue
01/01/2022 to 12/31/2022	\$40,326/\$100,000	Does not apply	Revenue
01/01/2021 to 12/31/2021	\$28,132/\$100,000	Does not apply	Revenue
01/01/2020 to 12/31/2020	\$0/\$100,000	Does not apply	Revenue

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

New York

Total Liability

\$189,162

Gross Revenue

\$2,434,162

Sales Tax Liability

\$130,908

Penalties

\$39,272

Interest

\$18,982

Nexus Triggered On

1/3/2022

Register By

2/2/2022

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for New York

Economic Nexus Activity

The nexus analysis window for New York looks at the preceding 4 quarters.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
04/01/2021 to 03/31/2022	\$792,642/\$500,000	693/100	Revenue and Trans.
01/01/2021 to 12/31/2021	\$453,595/\$500,000	341/100	Revenue and Trans.
10/01/2020 to 09/30/2021	\$80,453/\$500,000	55/100	Revenue and Trans.
07/01/2020 to 06/30/2021	\$0/\$500,000	0/100	Revenue and Trans.
04/01/2020 to 03/31/2021	\$0/\$500,000	0/100	Revenue and Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$1,064,686	\$90,711	\$27,213	\$13,153	\$131,078
2022	\$471,793	\$40,197	\$12,059	\$5,829	\$58,084

Recommendations

Voluntary Disclosure Recommended

Notes

None

North Carolina

Total Liability

\$147,177

Gross Revenue

\$1,708,481

Sales Tax Liability

\$112,394

Penalties

\$28,098

Interest

\$6,685

Nexus Triggered On

11/19/2021

Register By

11/19/2021

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for North Carolina

Economic Nexus Activity

The nexus analysis window for North Carolina looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2021 to 11/30/2021	\$129,844/\$100,000	137/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2019 to 12/31/2019	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2018 to 12/31/2018	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2017 to 12/31/2017	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$761,852	\$53,253	\$13,313	\$3,728	\$70,295
2022	\$784,350	\$54,748	\$13,687	\$2,737	\$71,172
2021	\$62,930	\$4,393	\$1,098	\$220	\$5,710

Recommendations

Voluntary Disclosure Recommended

Notes

None

North Dakota

Total Liability

\$0

Gross Revenue

\$14,256

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for North Dakota

Economic Nexus Activity

The nexus analysis window for North Dakota looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2024 to 06/30/2024	\$0/\$100,000	Does not apply	Revenue
01/01/2023 to 12/31/2023	\$3,062/\$100,000	Does not apply	Revenue
01/01/2022 to 12/31/2022	\$6,372/\$100,000	Does not apply	Revenue
01/01/2021 to 12/31/2021	\$4,822/\$100,000	Does not apply	Revenue
01/01/2020 to 12/31/2020	\$0/\$100,000	Does not apply	Revenue

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

Total Liability

\$51,497

Gross Revenue

\$1,285,704

Sales Tax Liability

\$45,012

Penalties

\$4,501

Interest

\$1,984

Nexus Triggered On

11/26/2021

Register By

11/27/2021

Triggered By

Economic Nexus**Physical Presence**

There is no physical presence for Ohio

Economic Nexus Activity

The nexus analysis window for Ohio looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2021 to 11/30/2021	\$112,982/\$100,000	111/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2019 to 12/31/2019	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2019 to 07/31/2019 *	\$0/\$500,000	Does not apply	Revenue
01/01/2018 to 12/31/2018	\$0/\$500,000	Does not apply	Revenue

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$437,382	\$31,666	\$3,167	\$1,583	\$36,416
2022	\$91,304	\$6,592	\$659	\$198	\$7,449
2021	\$93,406	\$6,753	\$675	\$203	\$7,631

Recommendations

Discussion or Review Needed - Voluntary Disclosure Recommended

Notes

Client needs to discuss CAT with CPA to determine whether CAT tax is due as well.

Oklahoma

Total Liability

\$0

Gross Revenue

\$48,400

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for Oklahoma

Economic Nexus Activity

The nexus analysis window for Oklahoma looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2024 to 06/30/2024	\$0/\$100,000	Does not apply	Revenue
01/01/2023 to 12/31/2023	\$29,241/\$100,000	Does not apply	Revenue
01/01/2022 to 12/31/2022	\$12,303/\$100,000	Does not apply	Revenue
01/01/2021 to 12/31/2021	\$6,856/\$100,000	Does not apply	Revenue
01/01/2020 to 12/31/2020	\$0/\$100,000	Does not apply	Revenue

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

State doesn't have a sales tax

Pennsylvania

Total Liability

\$40,935

Gross Revenue

\$1,300,337

Sales Tax Liability

\$31,348

Penalties

\$7,837

Interest

\$1,750

Nexus Triggered On

11/26/2021

Register By

4/1/2022

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Pennsylvania

Economic Nexus Activity

The nexus analysis window for Pennsylvania looks at the fiscal year between April 1st and March 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
04/01/2021 to 11/30/2021	\$232,991/\$100,000	Does not apply	Revenue
04/01/2020 to 03/31/2021	\$0/\$100,000	Does not apply	Revenue
04/01/2019 to 03/31/2020	\$0/\$100,000	Does not apply	Revenue

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$319,388	\$20,249	\$5,062	\$1,417	\$26,729
2022	\$175,059	\$11,099	\$2,775	\$333	\$14,206

Recommendations

Registration Recommended

Notes

None

Rhode Island

Total Liability

\$0

Gross Revenue

\$28,428

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for Rhode Island

Economic Nexus Activity

The nexus analysis window for Rhode Island looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2024 to 06/30/2024	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2023 to 12/31/2023	\$21,831/\$100,000	18/200	Revenue or Trans.
01/01/2022 to 12/31/2022	\$399/\$100,000	6/200	Revenue or Trans.
01/01/2021 to 12/31/2021	\$6,198/\$100,000	8/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

South Carolina

Total Liability

\$11,802

Gross Revenue

\$272,529

Sales Tax Liability

\$8,952

Penalties

\$2,238

Interest

\$612

Nexus Triggered On

6/8/2022

Register By

8/1/2022

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for South Carolina

Economic Nexus Activity

The nexus analysis window for South Carolina looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2022 to 06/30/2022	\$112,801/\$100,000	Does not apply	Revenue
01/01/2021 to 12/31/2021	\$35,278/\$100,000	Does not apply	Revenue
01/01/2020 to 12/31/2020	\$0/\$100,000	Does not apply	Revenue
01/01/2019 to 12/31/2019	\$0/\$100,000	Does not apply	Revenue
01/01/2018 to 12/31/2018	\$0/\$100,000	Does not apply	Revenue

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$112,701	\$8,374	\$2,093	\$586	\$11,053
2022	\$7,768	\$578	\$144	\$26	\$748

Recommendations

Registration Recommended

Notes

None

South Dakota

Total Liability

\$0

Gross Revenue

\$38,339

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for South Dakota

Economic Nexus Activity

The nexus analysis window for South Dakota looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2024 to 06/30/2024	\$0/\$100,000	Does not apply	Revenue
01/01/2023 to 12/31/2023	\$6,040/\$100,000	Does not apply	Revenue
01/01/2023 to 06/30/2023 *	\$1,800/\$100,000	11/200	Revenue or Trans.
01/01/2022 to 12/31/2022	\$12,087/\$100,000	64/200	Revenue or Trans.
01/01/2021 to 12/31/2021	\$20,213/\$100,000	43/200	Revenue or Trans.

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

Tennessee

Total Liability

\$25,940

Gross Revenue

\$417,210

Sales Tax Liability

\$19,519

Penalties

\$4,880

Interest

\$1,542

Nexus Triggered On

12/8/2021

Register By

3/1/2022

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Tennessee

Economic Nexus Activity

The nexus analysis window for Tennessee looks at the preceding 12 months.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2021 to 12/31/2021	\$143,799/\$100,000	Does not apply	Revenue
12/01/2020 to 11/30/2021	\$19,601/\$100,000	Does not apply	Revenue
11/01/2020 to 10/31/2021	\$14,948/\$100,000	Does not apply	Revenue
10/01/2020 to 09/30/2021	\$9,700/\$100,000	Does not apply	Revenue
09/01/2020 to 08/31/2021	\$0/\$100,000	Does not apply	Revenue

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$147,917	\$14,126	\$3,532	\$1,130	\$18,788
2022	\$56,469	\$5,393	\$1,348	\$411	\$7,152

Recommendations

Registration Recommended

Notes

Client would pay more in taxes if going through with a VDA than if simply back registering due to the grace period of registration.

Total Liability
\$163,169

Gross Revenue
\$2,853,227

Sales Tax Liability
\$142,817

Penalties
\$14,282

Interest
\$6,070

Nexus Triggered On
12/14/2021

Register By
4/1/2022

Triggered By
Economic Nexus

Physical Presence

There is no physical presence for Texas

Economic Nexus Activity

The nexus analysis window for Texas looks at the preceding 12 months.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2021 to 12/31/2021	\$629,541/\$500,000	Does not apply	Revenue
12/01/2020 to 11/30/2021	\$329,450/\$500,000	Does not apply	Revenue
11/01/2020 to 10/31/2021	\$195,215/\$500,000	Does not apply	Revenue
10/01/2020 to 09/30/2021	\$110,852/\$500,000	Does not apply	Revenue
09/01/2020 to 08/31/2021	\$0/\$500,000	Does not apply	Revenue

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$1,196,967	\$98,151	\$9,815	\$4,171	\$112,138
2022	\$544,709	\$44,666	\$4,467	\$1,898	\$51,031

Recommendations

Discussion or Review Needed

Notes

Taxability discussion is needed, as TPP may only be 20% taxable.

Total Liability

\$12,228

Gross Revenue

\$316,606

Sales Tax Liability

\$10,634

Penalties

\$1,063

Interest

\$531

Nexus Triggered On

9/1/2022

Register By

9/1/2022

Triggered By

Economic Nexus**Physical Presence**

There is no physical presence for Utah

Economic Nexus Activity

The nexus analysis window for Utah looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2022 to 09/30/2022	\$100,273/\$100,000	145/200	Revenue or Trans.
01/01/2021 to 12/31/2021	\$68,734/\$100,000	49/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2019 to 12/31/2019	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2018 to 12/31/2018	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$147,350	\$10,594	\$1,059	\$530	\$12,184
2022	\$549	\$39	\$4	\$1	\$44

Recommendations

Registration Recommended

Notes

None

Vermont

Total Liability

\$0

Gross Revenue

\$31,491

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for Vermont

Economic Nexus Activity

The nexus analysis window for Vermont looks at the preceding 4 quarters.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
07/01/2023 to 06/30/2024	\$2,998/\$100,000	1/200	Revenue or Trans.
04/01/2023 to 03/31/2024	\$20,062/\$100,000	12/200	Revenue or Trans.
01/01/2023 to 12/31/2023	\$21,349/\$100,000	18/200	Revenue or Trans.
10/01/2022 to 09/30/2023	\$21,349/\$100,000	18/200	Revenue or Trans.
07/01/2022 to 06/30/2023	\$22,446/\$100,000	19/200	Revenue or Trans.

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

Total Liability

\$74,652

Gross Revenue

\$970,220

Sales Tax Liability

\$54,215

Penalties

\$16,264

Interest

\$4,173

Nexus Triggered On

10/27/2021

Register By

10/27/2021

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Virginia

Economic Nexus Activity

The nexus analysis window for Virginia looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2021 to 10/31/2021	\$29,481/\$100,000	120/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2019 to 12/31/2019	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2018 to 12/31/2018	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$495,768	\$28,507	\$8,552	\$2,566	\$39,624
2022	\$373,746	\$21,490	\$6,447	\$1,397	\$29,334
2021	\$73,606	\$4,218	\$1,265	\$211	\$5,694

Recommendations

Voluntary Disclosure Recommended

Notes

None

Washington

Total Liability

\$40,636

Gross Revenue

\$401,087

Sales Tax Liability

\$30,818

Penalties

\$8,937

Interest

\$881

Nexus Triggered On

5/2/2022

Register By

6/1/2022

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Washington

Economic Nexus Activity

The nexus analysis window for Washington looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2022 to 05/31/2022	\$29,518/\$100,000	Does not apply	Revenue
01/01/2021 to 12/31/2021	\$26,022/\$100,000	Does not apply	Revenue
01/01/2020 to 12/31/2020	\$0/\$100,000	Does not apply	Revenue
01/01/2019 to 12/31/2019	\$0/\$100,000	Does not apply	Revenue
01/01/2019 to 03/31/2019	\$0/\$100,000	Does not apply	Revenue

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$298,379	\$26,436	\$7,667	\$793	\$34,896
2022	\$47,168	\$4,382	\$1,271	\$88	\$5,740

Recommendations

Discussion or Review Needed - Voluntary Disclosure Recommended

Notes

B&O Tax is likely due as well. Discussion is necessary to determine whether B&O included in the VDA packet.

West Virginia

Total Liability

\$0

Gross Revenue

\$24,090

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for West Virginia

Economic Nexus Activity

The nexus analysis window for West Virginia looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2024 to 06/30/2024	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2023 to 12/31/2023	\$15,774/\$100,000	23/200	Revenue or Trans.
01/01/2022 to 12/31/2022	\$3,541/\$100,000	12/200	Revenue or Trans.
01/01/2021 to 12/31/2021	\$4,776/\$100,000	8/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

Total Liability

\$4,068

Gross Revenue

\$131,145

Sales Tax Liability

\$2,969

Penalties

\$742

Interest

\$356

Nexus Triggered On

4/6/2023

Register By

4/6/2023

Triggered By

Economic Nexus

Physical Presence

There is no physical presence for Wisconsin

Economic Nexus Activity

The nexus analysis window for Wisconsin looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2023 to 04/30/2023	\$27,193/\$100,000	Does not apply	Revenue
01/01/2022 to 12/31/2022	\$53,516/\$100,000	Does not apply	Revenue
01/01/2021 to 12/31/2021	\$13,286/\$100,000	Does not apply	Revenue
01/01/2021 to 02/28/2021	\$0/\$100,000	Does not apply	Revenue
01/01/2020 to 12/31/2020 *	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Exposure Calculations

Year	Taxable Revenue	Sales Tax Liability	Penalties	Interest	Total Liability
2024	\$0	\$0	\$0	\$0	\$0
2023	\$54,687	\$2,969	\$742	\$356	\$4,068

Recommendations

None

Notes

None

Wyoming

Total Liability

\$0

Gross Revenue

\$21,556

Sales Tax Liability

\$0

Penalties

\$0

Interest

\$0

Physical Presence

There is no physical presence for Wyoming

Economic Nexus Activity

The nexus analysis window for Wyoming looks at the fiscal year between January 1st and December 31st.

Measurement Date Range	Revenue/Threshold	Transactions/Threshold	Threshold Rule
01/01/2024 to 06/30/2024	\$0/\$100,000	0/200	Revenue or Trans.
01/01/2023 to 12/31/2023	\$16,326/\$100,000	20/200	Revenue or Trans.
01/01/2022 to 12/31/2022	\$4,276/\$100,000	21/200	Revenue or Trans.
01/01/2021 to 12/31/2021	\$955/\$100,000	7/200	Revenue or Trans.
01/01/2020 to 12/31/2020	\$0/\$100,000	0/200	Revenue or Trans.

*New threshold value due to a change in state law.

Recommendations

None

Notes

None

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.

***Revenue Used**

For some states, gross revenue is not used to determine sales tax nexus for economic nexus purposes. The practitioner has used the information provided by the client or modified it to get a more accurate economic nexus determination. Practitioner has used [either nexus/taxable] revenue to determine the client's exposure liability.

***Physical Presence**

Below the physical presences from this report with their descriptions.

Employee

Work from home Employee

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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.

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
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