Know Your Nexus
Know the states in which you have sufficient physical presence to determine if you’re liable for collecting sales or use tax in that state.

Obtain Sales Tax and Business Licenses
Once you establish nexus, obtain sales tax and business licenses and register to collect sales tax for that state.

Know the Tax Rates
To avoid over or under collecting sales tax, you must know the correct tax rates in the states and jurisdictions where you have nexus.

Understand Product Taxability Rules
Most items sold are considered tangible personal property (TPP) and are taxed at the standard sales tax rate. But there are exceptions so do your homework.

Recognize Difference Between Origin Vs. Destination
When it comes to intrastate transactions (those which occur within the same state), there are two types of jurisdictions: origin and destination.

Maintain Exemption Certificates
You can issue exemption certificates to a purchaser for various reasons, including resale, 501c3 status, products used in manufacturing or in farming.

Charge Proper Tax Type
Sales tax (intrastate transactions) and seller’s use tax (interstate transactions) can differ. So it’s important to know the type of tax being charged.

Know the Risk on Returns
There are sales tax-specific returns, seller’s use tax returns and consumer use tax returns. Submitting them is an arduous task filled with potential error/risk.

Understand Audit Triggers
Understand what type of actions trigger an audit. Work with a CPA or sales tax expert to gain a better understanding of the compliance process.

Learn more about sales tax compliance: http://sbt.me/61k
More checklists and business forms at: http://sbt.me/5y2

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