

Multistate Tax Alerts

Throughout the week, we highlight selected developments involving state tax legislative, judicial, and administrative matters. The alerts provide a brief summary of specific multistate developments relevant to taxpayers, tax professionals, and other interested persons. Read the recent alerts below or visit the archive.

Archive: <https://www2.deloitte.com/us/en/pages/tax/articles/multistate-tax-alert-archive.html?id=us:2em:3na:stm:awa:tax>

New Florida requirement to collect and remit sales tax for remote sellers and marketplace providers

On April 19, 2021, Florida Governor Ron DeSantis signed Senate Bill 50 (“S.B. 50”). Notable provisions of the new law include:

- The definition of “retail sale” has been revised to include “remote sales” and sales facilitated through a physical or electronic marketplace;
- Marketplace providers and out-of-state retailers with no physical presence in Florida will now be required to collect Florida sales tax on sales of taxable items delivered to purchasers in Florida if the marketplace provider or out-of-state retailer’s taxable remote sales into Florida exceed \$100,000 in the previous calendar year;
- Marketplace providers and out-of-state retailers with no physical presence in Florida will also now be required to collect applicable local discretionary surtaxes on sales of taxable items delivered into a county that imposes a surtax;
- Marketplace providers and out-of-state retailers with no physical presence in Florida will be required to register with the Florida Department of Revenue (Department) to file returns and remit taxes collected electronically;
- Marketplace providers and out-of-state retailers are granted relief of liability for tax, penalty, and interest for certain remote sales made prior to the effective date of the bill if the marketplace provider or out-of-state retailer registers with the Department by October 1, 2021;
- Florida’s current sales and use tax bracket system is replaced with a rounding method;
- Additional sales tax collected on remote sales under the provisions of S.B. 50 are to be deposited into Florida’s Unemployment Compensation Trust Fund (“Trust Fund”) until the Trust Fund is replenished to pre-COVID-19 levels; and
- Two months after the Trust Fund is fully replenished, the Florida commercial rent tax is required to drop from 5.5% to 2%.

This Multistate Tax Alert summarizes the more significant provisions of S.B. 50.

[Issued April 21, 2021]

URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-multistate-tax-alert-new-florida-requirement-to-collect-and-remit-sales-tax-for-remote-sellers-and-marketplace-providers.pdf>

City of Chicago – Nexus and safe harbor update

On January 21, 2021, the City of Chicago (“City” or “Chicago”) issued an information bulletin regarding its analysis of the United States Supreme Court’s decision in *Wayfair v. South Dakota* and its application to whether a business is “purposefully availing itself” of the privilege of doing business in Chicago. The information bulletin provides a stated safe harbor for certain City taxes under specific conditions. In summary, the City will provide a safe harbor for out-of-state entities with less than \$100,000 of revenue from Chicago customers during the most recent consecutive four calendar quarters for the following regularly imposed taxes:

URL: https://www.chicago.gov/content/dam/city/depts/rev/supp_info/TaxSupportingInformation/January%202021%20Information%20Bulletin%20-%20Nexus%20and%20Safe%20Harbor.pdf

- Chicago’s amusement tax as applied to electronic delivery, such as video/audio streaming and online games; and
- Chicago’s personal property lease transaction tax as applied to nonpossessory computer leases.

This Multistate Tax Alert summarizes the nexus issue and safe harbor provisions.

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URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-multistate-city-of-chicago-nexus-and-safe-harbor-update.pdf>

New York 2021-2022 state budget highlights

On April 19, 2021, New York Governor Andrew Cuomo signed into law New York’s 2021-2022 Budget Act (the “Budget Act”). The Budget Act incorporates amendments to New York State and New York City corporate and personal income tax provisions, including:

1. Increasing the personal income tax on high earners;
2. Increasing the corporate tax rate under Article 9-A on the income base for certain taxpayers and extending/increasing the tax on the capital base for most taxpayers;
3. Enacting a new elective pass-through entity tax; and
4. Amending and extending certain other New York State tax provisions.

This Multistate Alert summarizes some of the significant New York State and New York City tax law changes included in the Budget Act.

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URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-multistate-tax-new-york-state-budget-highlights.pdf>

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