

Sales/Use:

Kansas: New Law Imposes Economic Nexus on Some Remote Sellers and Marketplace Facilitators

S.B. 50, Governor veto overridden by House and Senate on 5/3/21. Beginning July 1, 2021, new law imposes “post-Wayfair” sales and use tax collection and remittance requirements in Kansas on some remote sellers and marketplace facilitators that exceed an annual \$100,000 threshold of cumulative gross receipts from sales sourced into Kansas. Specifically, under the new law, out-of-state retailers must collect Kansas sales and use taxes if their annual cumulative gross receipts from sales sourced into Kansas exceed \$100,000. Furthermore, a marketplace facilitator must collect Kansas sales and use tax if its sales of property or taxable services sourced into Kansas, on its own behalf or on behalf of one or more marketplace sellers, annually exceeds \$100,000. Such marketplace facilitators may be eligible for a waiver if they demonstrate, to the satisfaction of the Kansas Department of Revenue (Department), that substantially all of their marketplace sellers already are collecting and remitting taxes to the Department; if such waiver is granted, the taxes levied generally shall be collectible from the marketplace seller. The legislation also permits impacted marketplace facilitators to contract with certain marketplace sellers to have the marketplace seller collect and remit any applicable Kansas sales and use taxes.

URL: http://www.kslegislature.org/li/b2021_22/measures/sb50/

See recently issued Multistate Tax Alert for more details on these and other significant Kansas tax law changes included in this bill, and please contact us with any questions.

URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-mta-kansas-legislature-overrides-governor-veto-to-enact-significant-indirect-and-income-tax-law-changes.pdf>

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