

Sales/Use:

Indiana DOR Addresses Impact of Drop Shipments in Calculating Economic Nexus Threshold

Sales Tax Information Bulletin No. 57, Ind. Dept. of Rev. (9/21). Updating its bulletin on the sales and use taxation of drop shipment transactions involving three distinct parties – that is, sellers, purchasers, and the purchasers’ customers, respectively – the Indiana Department of Revenue explains that any sales between out-of-state sellers and the purchasers (as opposed to the purchasers’ ultimate customers) sourced to Indiana would count towards the sellers’ economic nexus thresholds in determining whether a seller must register as a retail merchant in Indiana. Please contact us with any questions.

URL: <https://www.in.gov/dor/files/reference/sib57.pdf>

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