

## Sales/Use/Indirect:

### Ohio Department of Taxation Explains Marketplace Facilitator Economic Nexus Thresholds

*Sales and Use Tax – Substantial Nexus and Marketplace Facilitator*, Ohio Dept. of Tax. (11/21). The Ohio Department of Taxation issued some answers to frequently asked questions (FAQs) pertaining to Ohio's marketplace facilitator collection and remittance requirements, which were enacted pursuant to 2019 budget legislation [see previously issued Multistate Tax Alert for more details on these law changes] that addresses sales and use tax substantial nexus provisions in light of *Wayfair* and generally requires certain remote sellers and marketplace facilitators meeting specified economic nexus standards (*i.e.*, those with and/or facilitating greater than \$100,000 in gross receipts or engaging in 200 or more separate transactions into Ohio in the current or preceding calendar year) to collect and remit state sales tax on their in-state sales. Among other items, the FAQs explain that effective August 1, 2019, out-of-state sellers with substantial nexus must collect and remit Ohio tax on all sales of taxable products and services made from sources other than a marketplace facilitator into Ohio unless a fully completed exemption certificate is received. Additionally, effective September 1, 2019, marketplace facilitators are liable to collect and remit Ohio sales tax on sales of taxable products and services made on behalf of marketplace sellers. Moreover, the FAQs clarify that "only those sales which are considered retail sales are included in the economic nexus threshold calculation." For example, according to the FAQs, only those enumerated services in Ohio Rev. Code section 5739.01(B)(3) would be utilized when determining Ohio's economic nexus threshold. In this respect, the FAQs provide that "retail sales" do *not* include "sales for resale." Please contact us with any questions.

**URL:** <https://tax.ohio.gov/wps/portal/gov/tax/help-center/faqs/sales-and-use-tax-substantial-nexus-and-marketplace-facilitator>

**URL:** <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-governor-dewine-signs-biennial-budget-bill.pdf>

— John Hirz (Cleveland)  
Senior Manager  
Deloitte Tax LLP  
[jhirz@deloitte.com](mailto:jhirz@deloitte.com)

This document contains general information only and Deloitte is not, by means of this document, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This document is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this document.

**About Deloitte**

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.