

Sales/Use/Indirect:

Texas Comptroller of Public Accounts Explains Policy on Remote Sellers and Marketplaces

Letter No 202301003L, Tex. Comptroller of Public Accounts (1/5/23). In a letter explaining its treatment of remote sellers and marketplaces under state law, the Texas Comptroller of Public Accounts (Comptroller) provides that a remote seller operating below the annual “\$500,000 safe harbor threshold” and having tangible personal property temporarily stored in Texas at a marketplace provider’s facility does *not* need to obtain a permit and does *not* have a collection obligation if the marketplace provider has certified that it will assume the duties of a seller. As a remote seller, if the \$500,000 safe harbor threshold is exceeded and its tangible personal property is temporarily stored in Texas at a marketplace provider’s facility, the Comptroller explains that the remote seller must obtain a Texas tax permit and collect tax on its Texas sales. Furthermore, a remote seller may have a Texas franchise tax responsibility if it is a taxable entity and has temporarily stored inventory in a marketplace provider’s in-state facility. The Comptroller also explains that as of April 1, 2020, a remote seller must include all sales in its safe harbor calculation, including marketplace sales, even if the marketplace provider is collecting and remitting the sales tax. Please contact us with any questions.

URL: <https://star.comptroller.texas.gov/view/202301003L>

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