

Sales/Use/Indirect:

South Dakota: New Law Removes 200-Transaction Threshold from *Wayfair* Economic Nexus Statute

S.B. 30, signed by gov. 2/9/23. Effective July 1, 2023, new law revises South Dakota's economic nexus provisions for sellers that do not have an in-state physical presence by removing the in-state "200 or more separate transactions" threshold so that out-of-state remote sellers must remit South Dakota sales tax and "follow all applicable procedures and requirements of law as if the seller had a physical presence" in South Dakota only if the seller's gross revenue from the sale of tangible personal property, any product transferred electronically, or services delivered into South Dakota exceeds \$100,000 in the previous or current calendar year.

URL: <https://sdlegislature.gov/Session/Bill/23843>

Under current law, out-of-state remote sellers meeting one or both of the following criteria in the previous or current calendar year generally must license their business in South Dakota and remit applicable sales tax:

- Gross revenues into South Dakota exceeding \$100,000; or
- 200 or more separate transactions into South Dakota.

Please contact us with any questions.

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