

Sales/Use/Indirect:

Washington DOR Extends Emergency Amendments to Post-Wayfair Remote Seller Economic Nexus Rules

Emergency Amended Rule WAC 458-20-193 (Rule 193); Emergency Amended Rule WAC 458-20-221 (Rule 221); Emergency Amended Rule WAC 458-20-19401 (Rule 19401), Wash. Dept. of Rev. (eff. 3/23/23). The Washington Department of Revenue (Department) extended its emergency temporary administrative rule changes addressing economic nexus standards for administering Washington's sales tax laws on remote sellers in light of *Wayfair* and nexus-related state legislation enacted in 2019 [see Substitute Senate Bill (SSB) 5581 (2019) for more details on the state law changes]. The extended temporary emergency revisions continue to explain that pursuant to *Wayfair* and state statutes (RCW 82.08.0254, 82.12.0255, and 82.32.733), effective October 1, 2018, Washington had required remote sellers meeting certain thresholds to collect retail sales or use tax on all taxable sales sourced to Washington. However, SSB 5581 (2019) "further clarified the sales tax collection obligation for remote sellers," and as a result, these administrative rules "may contain outdated or incomplete information regarding who is required to collect sales or use tax on taxable retail sales into Washington." The Department explains that because of these law changes, these three rules require substantive updates using the standard rulemaking process and that until these rules are appropriately amended, the Department "wants to ensure the public does not use current Rules 193, 221, and 19401 to determine their sales or use tax collection obligations or to determine substantial nexus for apportionable activities and selling activities for periods beginning on or after October 1, 2018." These extended temporary emergency revisions are effective as of March 23, 2023, and "may be used to determine tax liability on and after the effective date, until the codified version is available from the code reviser's office." Please contact us with any questions.

URL: <https://dor.wa.gov/sites/default/files/2023-03/20-193%20221cr3frmdraftmar23.pdf?uid=642623b651b48>

URL: <https://app.leg.wa.gov/bills/summary?BillNumber=5581&Year=2019&Initiative=false>

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