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When you have a sales tax problem,
we are the solution!

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December 2011

Internet Sales are still Subject to Sales Tax

Many people begin their holiday shopping on Black Friday, waking up at 4am to rush to the stores and get those great deals. Then comes Cyber Monday where people spend hours on the Internet purchasing even more products and gifts. Some Internet vendors charge sales tax and some do not. However, New York State is hungry for money and it is taking a closer look at Internet sellers.



A vendor is required to collect and remit sales tax on taxable sales in New York if the vendor has nexus with the state. Nexus is defined as a sufficient contact or relationship with the state. While there is no strict list of activities that would create nexus, the courts have determined that a vendor has nexus with the State of New York if it has employees in the state, has an office in the state, or holds inventory in the state. Independent contractors alone do not create nexus.

However, New York State is expanding the definition of "nexus." Some companies think that making sales on the Internet means sales tax does not have to be charged. In New York State, that is often not the case. In 2008, New York State came out with what is now known as the "Amazon Rule." The tax law now states that a seller is presumed to be a vendor if the seller enters into agreements with residents of this state to refer customers to the seller, receives commissions for such referrals, and has independent contractors working in the state. For example, Company A is based in New York and has a website that has an advertisement banner for Company B. Company A receives commissions from Company B based on how many people click on the advertisement banner. Company B makes Internet sales, has independent contractors in New York but otherwise, has no other connections with this state. As per the Amazon Rule, Company B has nexus in New York and must collect and remit sales tax on sales to customers located in New York.

Internet sales, nexus, and the Amazon Rule are complicated and confusing. If you or your company believes it may have nexus with New York and sales tax may be due, contact Sales Tax Defense LLC. We can review your business, help determine if nexus exists, and help to resolve any past due sales tax liability!



Success Quotes

A successful man is one who can lay a firm foundation with the bricks others have thrown at him.
David Brinkley

Always bear in mind that your own resolution to succeed is more important than any other.
Abraham Lincoln

Defeat is not the worst of failures. Not to have tried is the true failure.
George Edward Woodberry

Develop success from failures. Discouragement and failure are two of the surest stepping stones to success.
Dale Carnegie

Don't aim for success if you want it; just do what you love and believe in, and it will come naturally.
David Frost

Flaming enthusiasm, backed up by horse sense and persistence, is the quality that most frequently makes for success.
Dale Carnegie

What is success? I think it is a mixture of having a flair for the thing that you are doing; knowing that it is not enough, that you have got to have hard work and a certain sense of purpose.
Margaret Thatcher

I've failed over and over and over again in my life and that is why I succeed.
Michael Jordan

For the coming year, all of us at Sales Tax Defense LLC wish you and yours much success. We also wish you a happy holiday filled with good health, prosperity, laughter and love.

About Us

We are a dedicated team of tax professionals who have committed our careers to helping businesses and fellow professionals with tax problems. Since the only work we are focused on is solving tax problems, businesses never have to be concerned that we will try to sell them other services they do not need. And professionals never have to be concerned with us encroaching on their client relationships, because we view you, our fellow professional, as our client.

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