

Sales by State Report

Introduction

As a direct result of the Supreme Court's ruling in the case South Dakota v. Wayfair Inc., states can now charge sales tax on purchases made from out-of-state sellers, even if the seller does not have a physical presence in the taxing state.

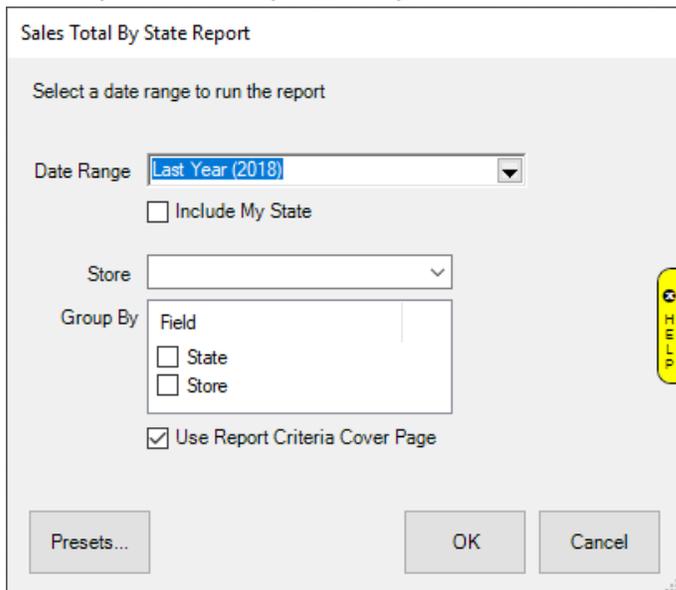
Many states are following South Dakota's model of defining sales thresholds for determining a sales tax collection obligation. This varies by state. In South Dakota, for example, you are obligated to collect sales tax if you either (A) make total sales of \$100,000 or (B) make 200 sales transactions in the current or previous calendar year.

The **Sales by State** report has been added to help you identify states where you have a sales tax collection obligation.

Running the Report

To run the report:

1. Click **Reports > Activity > Sales by State**. The **Sales Total by State Report** window will appear.



The screenshot shows a dialog box titled "Sales Total By State Report". It contains the following elements:

- A label "Select a date range to run the report" above a "Date Range" dropdown menu set to "Last Year (2018)".
- An unchecked checkbox labeled "Include My State".
- A "Store" dropdown menu.
- A "Group By" section with a "Field" dropdown menu and two unchecked checkboxes: "State" and "Store".
- A checked checkbox labeled "Use Report Criteria Cover Page".
- Buttons for "Presets...", "OK", and "Cancel" at the bottom.

2. Specify the **Date Range** you wish to analyze.
3. By default, this report will only include sales shipped out of state. To include sales shipped in your state, check **Include My State**.
4. If you are a multi-store user, you can use the **Store** drop-down to run this for a specific store. Leave blank to include all stores.
5. Click **OK** to generate the report.

Sales Total By State Report

Date Range: Today (4/7/2019); Other Selected Options: Not Including CT; Sort By: State;

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State	Store	Sales Total	Tax Collected	# of Transactions	# of Customer
CA	1	\$5,750.00	\$0.00	2	1
FL	1	\$12,500.00	\$0.00	1	1
		\$18,250.00	\$0.00	3	2
Totals		\$18,250.00	\$0.00	3	2

Fields on this report include:

State The state the sales were shipped to.

Store For multi-store users, a breakdown by store #.

Sales Total The total sales amount.

Tax Collected The total tax collected.

of Transactions The # of transactions. Click on this # to see a list of the sales receipts.

of Customers The # of customers. Click on this # to see a list of the customers.

Next Steps

For any state where you determine you have a tax collection obligation you must setup a tax definition:

1. Click **Administrative > Sales Tax > Tax Definitions**.
2. Click the **Add** button.
3. Specify an **ID** (abbreviation e.g. CT Tax) and **Description** (e.g. Connecticut Sales Tax).
4. Specify the tax **Rate %**.
5. **Rounding** sets the threshold at which to round up. Set this to **.005** unless your state has special rounding rules.
6. **Qualifying Sales** defaults to **All Sales**. If your state has specific dollar thresholds for when tax applies, you can set limits using these fields and/or the **Exemptions** fields.
7. Set **Qualifying Customers** to **Shipping to (or walk-in to store located in)** and select the state.
8. Visit the **Categories, Stores, Misc.,** and **Other** tabs and check everything this tax should apply to.
9. **Save** your tax definition.

General Categories Stores Misc. Other

ID Inactive

Description

Rate % Rounding

Qualifying Sales

of at least but not more than

Exemptions

This tax is NOT collected on...

The First

The Amount Over

Dates

This tax is only collected on sales made

starting

ending

Qualifying Customers

Shipping to (or walk-in to store located in)...

State

This tax will apply to All ZIP Codes in the specified state.

To specify a tax which is applied only to certain ZIP Codes, please click [Some ZIPs].