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ACCOUNTING NEWSLETTER



SEPTEMBER 2018

SEPTEMBER 3rd-OFFICE CLOSED-HAPPY LABOR DAY!!!!

MINNESOTA SALES TAX UPDATE – REMOTE SELLERS

Last month we wrote to you about the U.S. Supreme Court ruling in South Dakota v. Wayfair. In that letter, we indicated that we would update you when we became aware of any material changes that might affect our client base. Well, it didn't take long for that to occur. Minnesota jumped at the opportunity to make a change to their rules.

Late in July, Minnesota adopted parts of the new law at the state level and is requiring compliance no later than October 1, 2018. According to the updated rules, "Remote sellers that sell goods or services into Minnesota from other states must register and begin collecting sales tax in Minnesota no later than October 1, 2018."

This decision affects Remote Sellers (Businesses that sell products or services into Minnesota or another state but have no physical presence) and Marketplace Providers (Businesses that facilitate a retail sale by listing or advertising a sellers products and processing customer payments directly or through a third party).

All is not completely dire for remote sellers, however. Minnesota does have a Small Seller Exception, which does not require remote sellers to collect sales tax until their sales during a period of 12 consecutive month total either: a) 100 or more retail sales shipped to Minnesota, or b) 10 or more retail sales shipped to Minnesota that total more than \$100,000.

If you have any questions about any of these changes and how it affects your business, please call one of our professionals.

TAX PAYMENT DATES:

September 17 **AUGUST** Federal withholding taxes & FICA, MN withholding taxes for **MONTHLY DEPOSITORS**.

For **SEMI-WEEKLY DEPOSITORS** we advise making deposits within 3 banking days of writing payroll.

If federal accumulated taxes reach \$100,000, deposits must be made by the following banking day.

- 17 Third installment of Federal & State **INDIVIDUAL ESTIMATED** Income tax for 2018.
- 17 **Corporate, Partnership & Trust Tax Returns** due for those businesses and entities that have requested an extension of time to file.
- 20 Payment of August collections of **Minnesota Sales Tax** for monthly filers. **EFT** for mandatory & voluntary sales tax filers.