

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

respect to state sales tax rates, eliminating exemptions, and remote sales tax laws. More are sure to follow during the second half of the year.

Gail Cole • Jul. 22, 2016



“To improve is to change; to be perfect is to change often.” ~ Winston Churchill

Following Churchill’s logic, sales tax rates, rules and regulations must be the very embodiment of perfection. Boy, do they change.

They change when states and local tax jurisdictions (counties, municipalities, special districts) need more tax revenue. They change when there’s a revenue surplus. They

change in response to pressure from lobbyists, public opinion, or technological

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

~~Both states decided to increase their state sales tax and use tax rates earlier this year.~~
The [Louisiana](#) rate went up by 1% on April 1, and the [South Dakota](#) rate increased by 0.5% on June 1. There's been talk of increasing the state rate in [Oklahoma](#), as well, but the governor is opposed to the idea.

Tax that online shopping spree

Tired of waiting for federal lawmakers to move on the Marketplace Fairness Act, Online Sales Tax Simplification Act, or Remote Transactions Parity Act, state legislators are taking matters into their own hands. So far in 2016:

- Alabama imposed [new requirements](#) for out-of-state sellers; Amazon started collecting [South Carolina](#) sales tax (January)
- A federal court determined Colorado's [use tax notification requirements](#) are legal, and [Amazon](#) began collecting Colorado sales and use tax (February)
- [Louisiana](#) started taxing remote sales, and [Amazon](#) banished Louisiana residents from its Associates Program (April)
- [South Dakota](#) started taxing certain remote sales (May)
- [Vermont](#) made plans to penalize noncollecting remote vendors who don't comply with the state's use tax notification requirements (June)

Legal battles are already brewing over both the Alabama and [South Dakota](#) laws. More are sure to follow, and this is exactly [what the states want](#): a path to the United States Supreme Court and a challenge to the status quo.

Mix it up

Most states (46 out of 50) start their new fiscal year on July 1. This is therefore the time that states tend to take up new policies or kiss old ones goodbye. Local sales and use tax rate changes are always numerous, as well.

In 2016, rate changes reign. Local sales and use tax rate changes will occur in

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

- [Illinois](#) (telecommunications)
- [Oregon](#) (lodging)
- [Utah](#) (fuel)
- [Wyoming](#) (prepaid wireless)

On the horizon

Anything could happen during the second half of 2016: federal legislators could decide to [vote on a remote sales tax bill](#); Puerto Rico could [resurrect the VAT](#); Arizona could (again) change the way it [taxes fine art](#) sold at auctions and galleries; Louisiana could decided to repeal the suspension of some exemptions; the governor of New York could sign the bill that permanently [exempts feminine hygiene products](#) from sales tax; other cities could follow Philadelphia's lead and impose a [tax on soft drinks](#); and [West Virginia](#) could broaden or increase sales tax. This being sales tax, any number of changes could also crop up.

Gail Cole is a sales tax expert for [Avalara](#) with a penchant for digging through the depths of BOE sites and discovering and reporting rate changes across the country.

Automation • Sales Tax • State and Local Taxes

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us