CPA

Practice **Advisor**

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

first starting out (and in some cases, even after they've been up and running for years).

Aug. 19, 2018



It's an exciting time — you're starting a business, with dreams of success, independence, and financial freedom.

You've got big things to consider, from your business structure to your competition in the marketplace. Yet some of the things that might not be top of mind are also really important: like what you'll do to manage your sales tax obligations.

Here are three sales tax mistakes a lot of small business owners make when they're

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

themselves at risk for additional fees as well as heightened audit risk.

- 2. Reporting incorrect figures. With thousands of sales tax jurisdictions across the U.S., keeping track of the right amount to charge and remit can be a huge challenge one that often trips up business owners. If you sell online, your sales tax data is often scattered across multiple platforms and jurisdictions, too. You can labor for hours trying to make sure you're getting all your numbers right, but there are also really helpful automated solutions from Avalara that are made just for small businesses.
- 3. Not filing, or missing due dates. Figuring out the rules and procedures for each state can be just as challenging as determining how much and where to charge. When do you need to file? How often do you need to file? Have requirements changed? All of these obligations are mandatory, not optional, and if things fall through the cracks, you might end up paying late fees or non-filing penalties. Remember, most states require you to file a return even if you didn't collect any sales tax for the period.

Sales tax issues don't have to put a damper on the excitement of your new business — get off to a good start by educating yourself about your obligations, and using the right tools to meet them.

Mike Plaster is a former journalist who now owns and runs a small business. He writes for the Avalara blog, where he focuses on issues important to small business owners and Amazon sellers.

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