

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

sales tax on behalf of out-of-state sellers making sales in the state. However, Minnesota-based eBay sellers will still be responsible for collecting and remitting ...

Nov. 05, 2018



Starting January 1, 2019, online marketplace eBay will collect and remit Minnesota sales tax on behalf of out-of-state sellers making sales in the state. However, Minnesota-based eBay sellers will still be responsible for collecting and remitting Minnesota sales tax.

This isn't unexpected. [eBay recently announced](#) that it would collect sales tax on behalf of sellers in Washington beginning January 1, 2019, and in Oklahoma and Pennsylvania as of July 1, 2019. Like Minnesota, each of these states has enacted a tax on marketplace sales.

Minnesota's law applies to marketplace providers that maintain a place of business

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

eBay believes the Wayfair ruling is “unfair to small businesses” and has promised to seek “the best way to support and advocate for our sellers.” Nonetheless, it will comply with Minnesota's law starting January 1, 2019.

Minnesota requires marketplace providers to collect sales tax

Minnesota defines a [marketplace provider](#) as “any person, other than the seller, who facilitates a retail sale by listing or advertising the seller's products, and processing the payments from the customer.”

Generally, a marketplace provider is required to collect and remit Minnesota sales tax on behalf of remote sellers using the marketplace *unless*:

- The remote seller elects to register with the state and collect and remit Minnesota sales tax itself;
- The remote seller makes less than \$10,000 in retail sales into Minnesota in a 12-month period (ending on the most recently completed calendar quarter); or
- The marketplace provider doesn't maintain a place of business in Minnesota.

No cost to eBay sellers

On Monday, October 29, [eBay told sellers](#), “Once we start collecting tax [in Minnesota, Oklahoma, Pennsylvania, and Washington], you do not need to take any action. There are no extra charges or fees for this service.” There are also “no opt-outs for selling items to [these states], or out of eBay automatically collecting sales tax for applicable orders.”

Sellers are reminded to continue collecting and remitting tax until eBay assumes sales tax collection on their behalf.

eBay recommends sellers consult with a trusted tax advisor for additional

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

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.

© 2024 Firmworks, LLC. All rights reserved