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with no physical presence in New York need to collect New York sales tax only if, in the immediately preceding four sales tax quarters ...

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If businesses in other states are unsure whether they need to register to collect New York State sales tax, the most recent [information](#) published by the New York State Department of Taxation and Finance leaves no room for doubt: “If you are a business that meets [the economic nexus] threshold, but has not yet registered as a vendor, you should do so now.”

The department's been playing catch-up with the whole remote sales tax issue since the Supreme Court of the United States overruled a physical presence rule in *South Dakota v. Wayfair, Inc.* (June 21, 2018). New York waited until January 2019 to publicly comment on the decision and then stated Wayfair enabled it to tax remote sales “[immediately](#).”

“Immediately” was widely interpreted to mean as of June 21, 2018.

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- the state (for both taxable and exempt sales), and
- Conducted more than 100 sales of tangible personal property delivered in the state.

Anyone relying solely on the Department of Taxation and Finance for their news would have thought the above threshold was still in place until quite recently.

The fact is, the New York Legislature increased the sales threshold from \$300,000 to \$500,000 with the enactment of [S.6615](#) in June 2019. The change was effective June 21, 2018, for remote retailers. For marketplace providers, the threshold change took effect June 1, 2019 — the date [marketplaces had to start collecting](#) on behalf of third-party sellers in New York.

The department finally announced the threshold change on [October 17](#), in a notice clarifying sales tax collection requirements for marketplace providers. Yet the little other guidance provided by the department continued to list the threshold as \$300,000 in sales and 100 transactions.

Thankfully, the department has finally updated the threshold in the following publications:

- [FAQs related to registration requirement for businesses with no physical presence in NYS](#)
- [Important Notice N-19-1](#)
- [Registration requirement for businesses with no physical presence in New York State](#)

The tax department has now provided further clarification in [TSB-M-19\(4\)S](#), which explains that the sales threshold changed from \$300,000 to \$500,000 retroactive to June 21, 2018, the day the Wayfair ruling was issued.

Thus, it appears New York does intend to enforce [economic nexus](#) as of June 21, 2018,

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Sales Tax

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