

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Re: Sales Tax Economic Nexus Opinion - [State Name]

Dear [Client Contact Name],

We have reviewed the business activities of [Company Name] to determine whether its sales volume and transaction frequency have established economic nexus for sales and use tax purposes in the state of [State Name].

Background

Following the U.S. Supreme Court decision in *South Dakota v. Wayfair, Inc.*, states may require remote sellers to collect and remit sales tax if they meet specific economic thresholds, regardless of physical presence.

Analysis

The state of [State Name] has established an economic nexus threshold of [Threshold Amount, e.g., \$100,000] in gross sales or [Number, e.g., 200] separate transactions within a calendar year. Based on the financial records provided for the period [Start Date] to [End Date], [Company Name] has generated \$[Total Sales Amount] in gross revenue and [Number of Transactions] transactions in [State Name].

Opinion

Based on the data provided, it is our opinion that [Company Name] [**HAS / HAS NOT**] met the criteria for economic nexus in [State Name].

Recommendations

As a result of this determination, we recommend the following actions:

- [Register for a Sales Tax Permit in the state.]
- [Begin collecting sales tax from customers on taxable transactions.]
- [Maintain records of exempt sales and valid resale certificates.]
- [Monitor monthly sales to track threshold status in other jurisdictions.]

Limitations

This opinion is based on the current tax laws of [State Name] and the financial data provided by [Company Name]. Should the state amend its statutes or should your business model change, this analysis may require updating.

Sincerely,

[Your Signature]
[Your Name/Title]
[Firm Name]