

[Company Letterhead]

Date: [Insert Date]

To: [Client Name/Board of Directors]

From: [Tax Professional/Accounting Firm Name]

Subject: Tax Opinion Regarding Sales and Use Tax Economic Nexus (South Dakota v. Wayfair, Inc.)

1. PURPOSE

The purpose of this letter is to provide a formal opinion regarding the sales and use tax collection obligations of [Company Name] (the "Company") in light of the United States Supreme Court decision in *South Dakota v. Wayfair, Inc.* (2018).

2. BACKGROUND AND SCOPE

Prior to the *Wayfair* decision, physical presence was required for a state to mandate sales tax collection. The Supreme Court overturned this requirement, allowing states to enforce tax collection based on "economic nexus." You have requested our analysis of the Company's activities for the period beginning [Start Date] through [End Date].

3. FACTUAL SUMMARY

Our opinion is based on the following data provided by the Company:

- The Company is headquartered in [State].
- Total gross sales for the period: \$[Amount].
- Total number of transactions: [Number].
- The Company maintains no physical offices, inventory, or employees in the following jurisdictions: [List States].

4. ANALYSIS OF ECONOMIC THRESHOLDS

We have reviewed the Company's sales data against the specific statutory thresholds of the following states. Most states have adopted a threshold of \$100,000 in sales or 200 separate transactions annually.

[Insert Specific State Analysis Table/List Here]

5. OPINION

Based on the facts presented and the current state of the law, it is our opinion that:

[Option A: The Company HAS exceeded the economic nexus thresholds in [State(s)] and is required to register, collect, and remit sales tax.]

[Option B: The Company HAS NOT exceeded the economic nexus thresholds in any jurisdictions outside of its home state at this time.]

6. RECOMMENDATIONS

We recommend the following actions:

- Register for sales tax permits in the following states: [List States].
- Implement automated tax software to calculate and track nexus thresholds in real-time.
- Conduct a historical nexus review to evaluate potential prior liabilities or Voluntary Disclosure Agreements (VDA).

7. LIMITATIONS

This opinion is based on the facts provided and the laws currently in effect. Tax laws are subject to frequent change. This letter is intended solely for the use of [Company Name] and may not be relied upon by any other party.

Sincerely,

[Signature]

[Name and Title]