

2020-04 INTERPRETATION



ESTABLISHING REGISTRATION REQUIREMENTS FOR IN-STATE SELLERS

Issue:

How do in-state sellers determine if they should register and file with the Commission?

Recommendation:

The Commission will apply the criteria threshold only to remote sales conducted by an in-state seller and occurring into a taxing jurisdiction.

Example:

An in-state seller that has physical sales in one jurisdiction, but also remote sales into other jurisdictions, will only count its remote sales to determine if they meet the criteria for registration - either \$100,000 in annual, gross remote sales or 200 individual, annual remote transactions.

Rationale:

This treats in-state sellers the same as inter-state sellers, protects small businesses within Alaska, and separates physical sales (to be filed where that seller has physical presence) from remote sales (wherein the seller will file with the Commission).

Do we want code to apply to remote sales that are small? Could be burdensome

If operating at this high of an operational level, should be treated the same as out of state seller

Political issues

Construction, grocery stores, book sellers