

RS-1 - Sales Threshold for Out-of-State Dealers

This article has been updated and is for informational purposes only.

Currently, out-of-state dealers with no physical presence in Tennessee who make \$500,000 or more in sales to Tennessee customers must register and collect Tennessee sales and use tax. The \$500,000 threshold includes all retail sales made by the out-of-state dealer, including exempt sales but does not include sales for resale.

NOTE: Beginning October 1, 2020, the sales threshold will be established at \$100,000. Out-of-state dealers with no physical presence in Tennessee who make \$100,000 or more in sales to Tennessee customers will be required to register and collect Tennessee sales and use tax.

Reference: Tenn. Code Ann. § 67-6-524.