

## RS-6 - Timeline to Start Collecting Tax After Meeting Threshold

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

If an out-of-state dealer has no physical presence in Tennessee and meets the \$500,000 threshold (**\$100,000 beginning October 1, 2020**), it is required to register and begin collecting sales and use tax on the first day of the third month following the month in which it meets the threshold. For example, if a dealer meets the threshold on January 15, 2020, the dealer is required to register, collect, and remit sales tax beginning on April 1, 2020, for any sales made on and after April 1, 2020.

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