

Frequently Asked Questions

What was the U.S. Supreme Court decision in South Dakota v. Wayfair?

On June 21, 2018, the United State Supreme Court ruled in South Dakota v. Wayfair that sellers can be required to collect sales and use taxes in states where the sellers do not have physical presence, overruling the 1992 case of Quill v. North Dakota.

What is the impact of the Wayfair decision on sales into Oklahoma?

Oklahoma law requires remote sellers to collect Oklahoma sales and use tax on their sales into the state. See [HB 1019](#).

Who is a remote seller?

A remote seller is a person that does not maintain a place of business in this state that sells tangible personal property at retail subject to Oklahoma state and local sales/use tax.

I am a remote seller, what should I do?

Remote sellers that were registered in Oklahoma before the U.S. Supreme Court's decision in South Dakota v. Wayfair, are not impacted by this decision. You need to continue to collect and remit sales and use tax.

Remote sellers that were not registered in Oklahoma before the U.S. Supreme Court's decision in South Dakota v. Wayfair, Inc., must file an election with the Oklahoma Tax Commission to collect and remit the tax or to comply with statutory notice and reporting requirements unless the seller qualifies for the small seller exception.

What is the Small Seller Exception?

Oklahoma has a small seller exception, which exempts the seller from reporting or remitting taxes for sales in Oklahoma. The exception applies to sellers that had aggregate sales of tangible personal property delivered to locations within this state subject to sales or use tax worth less than \$10,000 during the previous 12 month period.

I am a remote seller and only sell through a marketplace. Do I need to collect sales tax?

If you only make taxable sales into Oklahoma through a marketplace and the marketplace facilitator or a referrer is collecting and remitting Oklahoma sales/use tax on your behalf, then you do not need to register and collect Oklahoma tax.

If the marketplace facilitator or referrer is not collecting Oklahoma sales/use tax on your behalf, you must collect Oklahoma sales/use tax on your taxable sales unless you meet the Small Seller Exception.

I am a remote seller and sell through a marketplace, my own website and through other sources; what are my tax responsibilities?

If all retail sales into Oklahoma combined – including your sales made through any marketplace, your own website, and through other sources – exceed the Small Seller Exception, then sales or use tax must be collected and remitted to Oklahoma. You must collect and remit sales or use tax on your taxable sales through your website and other sources. If the marketplace is not collecting Oklahoma tax on your behalf, then you must also collect Oklahoma sales or use tax on your taxable sales made through that Marketplace.

I am an Oklahoma business and I make sales remotely to other states. Do I need to register for a permit in other states?

Each state's remote seller laws are different. To determine which laws apply to your business, go to the [Streamlined Sales Tax - State Website and Contact Information](#) for collection requirements in all 24 Streamlined Sales Tax states.

If the state is not a member of Streamlined Sales Tax, we recommend you [contact that state](#).

What effect does the Wayfair decision have on Oklahoma purchasers?

Oklahoma purchasers may see an increased number of remote sellers charging sales tax. If a remote seller does not charge tax on a taxable item in Oklahoma, the purchaser must report use tax on the purchase price. An individual may report the use tax on the Individual Use Tax Return.

Are items taxable in Oklahoma taxable in every state?

No. Sales tax laws vary from state to state. If you have questions on what items are taxable in other states, [contact that state](#) directly.

Streamlined Sales Tax states have uniform product definitions, but may tax those products differently. For more information, [see Taxability Matrices on the Streamlined Sales Tax website](#).

What are the benefits of Streamlined Sales Tax for my business?

Streamlined Sales Tax benefits to your business include:

You can use a Certified Service Provider (CSP) to calculate, collect, remit, and file sales tax returns in all member states.

You can register at one time for all full member and associate states through the Streamlined Sales Tax Registration System. <https://www.sstregister.org>

Member states have uniform product definitions for consistency for businesses that sell in multiple states.

The following states are Streamlined Sales Tax members:

| | | | |
|----------|----------------|-----------------------|---------------|
| Arkansas | Michigan | North Dakota | Utah |
| Georgia | Minnesota | Ohio | Vermont |
| Indiana | Nebraska | Oklahoma | Washington |
| Iowa | Nevada | Rhode Island | West Virginia |
| Kansas | New Jersey | South Dakota | Wisconsin |
| Kentucky | North Carolina | Tennessee (associate) | Wyoming |

What does it mean to register through the Streamlined Sales Tax Registration System?

The system is a quick and easy way to register for sales and use tax accounts in all Streamlined Sales Tax member states. When you register through the system, you receive tax accounts to collect and remit sales and use tax in all Streamlined Sales Tax full member states. You may also choose to register in any associate member states. Once you are registered, you must collect and remit sales and use taxes in those states.

How do I register for states that are not Streamlined Sales Tax members?

You need to register for each non-member state individually. For more information, [contact each non-member](#) state directly. If you use a Certified Service Provider (CSP), they may register you for non-member states.

How do I file and pay my sales and use tax if I register through the Streamlined Sales Tax Registration System?

You must file returns and make payments directly to the state where taxes are due. You will not file returns or make payments directly to Streamlined Sales Tax. Each state will send you registration information and filing instructions.

Note: If you use a Certified Service Provider (CSP), they will file monthly returns and remit taxes to each state for you. If you have questions on filing or paying the taxes, contact your CSP.

What is a Certified Service Provider (CSP)?

A CSP can file sales and use tax returns and remit sales taxes for you. Your business is responsible to pay use tax on its own purchases. Any business may contract with a CSP.

CSP benefits

- The CSP software works with your accounting system to identify which products and services are taxable, apply the appropriate tax rate, and record the transaction.

- The CSP sets up their software with your system, prepares and files returns, and remits tax to each member state.
- The CSP resolves any notices or audits by member states.
- Streamlined Sales Tax member states certify the accuracy of the CSP software and provide liability relief for incorrect tax calculation based on the certification. Free monthly return processing in states where you are a remote seller. If you have nexus in member states, a small fee may apply to file those returns.

Certified CSPs

[Avalara](#)

[Sovos](#)

[Exactor \(Intuit\)](#)

[Tax Cloud](#)

[AccurateTax](#)

[Taxify by Sovos](#)

[Taxometry](#)

Note: Some CSPs also provide services in non-Streamlined states. Check their websites for more information.

How do I know what sales/use tax rate to charge?

Oklahoma's state sales and use tax rate is 4.5%. Local taxes may also apply. Local taxes apply to the same taxable items and services as the Oklahoma state sales tax rate.

Who is required to collect local sales and use taxes?

All sellers, regardless of the seller's location, are required to collect local sales and use taxes based on where their customer receives the taxable product or service.

What local taxes do I need to collect?

Local taxes you need to collect will depend on where your customer receives your product or service and if that location has a local tax. For details and to see the tools we provide to determine your total tax rate, go to

[https://www.ok.gov/tax/Online_Services/Online_Filing -
Individuals/Sales_&_Use_Rate_Locator/](https://www.ok.gov/tax/Online_Services/Online_Filing_-_Individuals/Sales_&_Use_Rate_Locator/).

Do I need to apply for a permit each year?

No. Once you receive an Oklahoma Sales or Use Tax Permit it is active for three (3) years from the date of issuance or the Oklahoma Tax Commission revokes the permit for noncompliance.

Are remote sellers subject to audits by the department?

Remote sellers are subject to audits like any other business. For remote sellers using a CSP, the department works with the CSP for the audit. The Commission has no direct contact with the remote seller.