September Member Briefing: Online Sales Tax Implications for Artists and Arts Organizations

Please call in: (888) 669-7729

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Mute: *6
Unmute: #6

Kate McClanahan, Director of Federal Affairs
Americans for the Arts

Cristyn Johnson, Local Arts Advancement Program Manager
Americans for the Arts
South Dakota v. Wayfair

(South Dakota won!)
“In June, the Supreme Court in South Dakota v. Wayfair, overturned more than 25 years of legal precedent [and] cleared the way for states to require out-of-state sellers to collect in-state sales tax when selling to residents in that state.”

Jonathan E. Johnson III, Opinion Contributor
— 09/12/18 11:15 AM EDT
So, this is a tax issue.

It’s really a state revenue issue.

For us, it is a shipping issue.
What’s Financially at Stake?

• State and local governments could gain from $8 – 13 billion annually.

• That’s an average gain of about $200 million to each state (ranging from more than $1 billion in more populated states like California, to $20 million in less populated states like Vermont.)
What Does The Decision Mean for Artists & Arts Organizations?

• Every business that has customers in multiple states (assuming they are not just those 5 states without a sales tax) are impacted.

• Art galleries

• For the creative economy, there is a lot to be revealed in how artworks, crafts, and creative products might be treated through anticipated state tax changes.

• Etsy
Where Can I Go to Learn More?

✓ ARTS Blog
✓ Track state response
✓ #SDvWayfair

Justice Kennedy with opinion in *South Dakota v. Wayfair* (Art Lien)