Dear Valued Client,

I wanted to make sure you're aware that California will require out-of-state sellers with a certain amount of economic activity in the state to collect and remit sales tax starting <u>April 1, 2019</u>. Retailers meeting one of the thresholds will have to register with the CDTFA and collect and remit tax on their sales of tangible personal property to California consumers starting that date.

This could impact you if your business in the current or preceding calendar year has:

- More than \$100,000 in taxable sales in California, or
- At least 200 separate transactions for delivery into California

Since laws about remote sellers have been updating frequently, California is one of many states that have introduced changes.

I recommend we talk with an expert at <u>Avalara</u> about how your business handles tax compliance today.

Let me know what date and time works best for you.