



Department of  
Taxation

June 21, 2018

**Statement on U.S. Supreme Court *Wayfair* ruling**

The following statement is attributable to Gary Gudmundson, Communications Director, Ohio Department of Taxation:

“Today’s decision does not have an immediate, direct impact on Ohio. The Court ruled on the laws in another state; not on Ohio’s tax laws.

We anticipate that we’ll see some out-of-state retailers begin to voluntarily charge and collect Ohio sales tax, but otherwise the sales tax rules and laws in Ohio will stay the same until the General Assembly decides whether or not to change them.”

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***Additional legal background/perspective***

The United States Supreme Court ruled that South Dakota’s statute which requires remote sellers to collect and remit the state’s sales tax without regard to physical presence to be Constitutional. The Court overruled its previous decisions which required physical presence.

Ohio’s laws must be changed to require all out-of-state vendors to collect and remit the tax. Ohio’s current law (R.C. 5741.01(l)) provides that out-of-state sellers are not required to collect and remit Ohio’s sales tax unless one of several factors regarding physical presence exists. It is likely that Ohio will see an increase in the number of out-of-state sellers who voluntarily register with the State of Ohio to file, collect and remit either through the Streamlined Sales and Use Tax Governing Board system or directly with the state. It is unclear at this time as to the amount of additional revenue that the state and local authorities might anticipate from this volunteer activity.