

Finance Team News & Updates

To: Bellisario Faculty and Staff

Re: Pennsylvania Sales Tax for 3rd Party Sellers (Amazon; eBay)

Date: September 6, 2019

PENNSYLVANIA SALES TAX EXEMPTION UPDATE

As of July 1, 2019, the Pennsylvania Department of Revenue has expanded the requirement to collect Pennsylvania sales and use tax from all marketplace facilitators and online sellers with at least \$100,000 in annual PA gross sales. Those marketplace facilitators and online resellers must now register, collect and remit Pennsylvania sales tax. Marketplace facilitators are sellers who list or advertise other seller's goods and services through a marketplace such as Amazon and eBay. The facilitator collects the payment from the purchaser and transmits the payment to the 3rd party seller.

What this means for cardholders is when purchasing goods and services from marketplace facilitators, the cardholder may be charged PA sales and use tax. When this occurs, the cardholder should do their due diligence to obtain credit for the sales and use tax directly from the 3rd party seller whenever possible. This usually will require that the cardholder send our Pennsylvania tax exempt form to the seller and request a credit for the sales tax.

The *PSU Amazon Business Account has been modified to restrict sellers who charge sales tax. In addition, employees are encouraged to utilize eBuy punchout catalogs whenever possible to receive contract pricing and avoid being charged sales tax.

If you have any questions, please contact pcard@psu.edu or contact the Finance Office.

*If you do not yet have a PSU Amazon Business Account, please visit

<https://bellisario.psu.edu/faculty-staff-resources#finance-office> and read the Amazon Business Bulletin. If you need assistance please contact Lynn Maggs, imm38@psu.edu.