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## **NOTICE**

### **Alabama Simplified Sellers Use Tax and Marketplace Facilitators Guidance**

The Alabama marketplace facilitator law, §40-23-199.2, Code of Ala. 1975, went into effect on January 1, 2019. It stipulates that the responsibility for collecting and remitting Simplified Sellers Use Tax (SSUT) or reporting such sales for online purchases by customers in Alabama, falls on the company operating the marketplace rather than on the individual marketplace sellers.

A Marketplace Facilitator, as defined in §40-23-199.2(a)(2), Code of Ala. 1975, who has met the \$250,000 qualifying amount in retail sales in Alabama is required to register for the Simplified Sellers Use Tax as levied in §40-23-193, Code of Ala. 1975, or comply with the reporting provisions of §40-23-199.2(m). The Simplified Sellers Use Tax 8% flat tax should be collected and remitted on all retail sales of products sold in Alabama through the marketplace facilitator's platform.

A Marketplace Seller as defined in §40-23-199.2(a)(3), Code of Ala. 1975, is a seller that is not a related party to the marketplace facilitator and makes sales through the Marketplace Facilitator's platform. Restaurants, grocery stores, beverage stores, other retail businesses and individuals selling products through a marketplace facilitator platform are considered a marketplace seller.

The collection and remittance of the 8% Simplified Sellers Use Tax relieves the marketplace facilitator, the marketplace seller, and the purchaser from any additional state or local sales and use taxes on the same transactions made through the marketplace. Marketplace sellers are not relieved of their obligation under the laws of this state to remit sales or use taxes on sales through the business' own electronic sales platforms or at the business' retail locations in this state.

Based on the guidance provided in this notice, a qualified marketplace facilitator is required to apply and register for a Simplified Sellers Use Tax account. Applications should be submitted no later than October 1, 2021. To apply for a Simplified Sellers Use Tax account, go to: <https://myalabamataxes.alabama.gov> and click on "Obtain a New Tax Account Number."

Additional information including frequently asked questions can be found at the following: <https://revenue.alabama.gov/sales-use/simplified-sellers-use-tax-ssut/>