

The Digital Seller's Sales Tax Checklist

Seven steps to stay compliant while selling ebooks, templates, courses, and downloads.

Print this page or keep it open while you set up your store. Work top to bottom — each step builds on the one before it.

1 Know what you're selling

- ☐ List every product type you sell (ebooks, courses, templates, presets, software).
- ☐ Remember: roughly 41 states plus DC tax at least some digital products — taxability varies by state and by product type.
- ☐ Check how your products are classified — “digital goods,” “SaaS,” and “services” are often taxed differently.

2 Know where your buyers are

- ☐ Collect buyer location at checkout (state at minimum).
- ☐ Export a sales-by-state report at least once a quarter.
- ☐ Keep evidence of buyer location (billing address / ZIP) with each sale.

3 Watch economic nexus thresholds

- ☐ Know the common trigger: \$100,000 in sales OR 200 transactions in a state in a year (varies by state).
- ☐ Track running totals per state — a spreadsheet works when you're small.
- ☐ Set yourself an alert when you reach 80% of any state's threshold.

4 Register before you collect

- ☐ Register for a sales tax permit in each state where you crossed the threshold.
- ☐ Do not collect tax in a state where you are not registered — most states prohibit it.
- ☐ Calendar any registration renewal dates.

The Digital Seller's Sales Tax Checklist (continued)

5 Collect correctly at checkout

- ☐ Charge the rate for the buyer's location, not yours.
- ☐ Show tax as a separate line item on receipts.
- ☐ Treat collected tax as money you hold for the state — it is not revenue.

6 File and remit on schedule

- ☐ Note each state's filing frequency (monthly, quarterly, or annual).
- ☐ File even when you owe \$0 — “zero returns” are usually still required.
- ☐ Set calendar reminders one week before every deadline.

7 Keep records

- ☐ Keep sales records, tax calculations, and filed returns for at least 4 years.
- ☐ Store the tax charged on each transaction, per jurisdiction.
- ☐ Reconcile tax collected vs. tax remitted every quarter.

Want this handled at checkout?

SurcoPay calculates tax at checkout, watches your nexus thresholds, and exports filing-ready reports — built into the same tool that sells your product.

Join the waitlist at surcopay.com