

Direct sales independent consultants

Direct selling organizations sell products to consumers using independent consultants. As used in this article, “independent consultants” means home based businesses, independent representatives, independent contractors, etc.

You may need to register

As an independent consultant, you may need to register with Revenue depending on if your organization has a tax collection agreement with Revenue or if you have other business activities.

Under a tax collection agreement, the direct selling organization agrees to collect certain taxes on behalf of their independent representatives. See our Direct Sellers/Multilevel Organizations Industry Guide for more information on the tax collection agreements.

If the direct selling organization...

does not have a tax collection agreement

You must register with Revenue if...

- you are required to collect retail sales tax, regardless of the amount, or
- your yearly gross income is \$12,000 or more.

has a tax collection agreement to collect and remit retail sales tax on behalf of consultants

- your yearly retail sales are \$89,172 or more, or
- your yearly commission is \$56,000 or more.

If the direct selling organization...**You must register with Revenue if...**

has a tax collection agreement to report both business and occupation (B&O) and retail sales taxes on behalf of consultants

You don't have to register with Revenue, unless you have other business activities.

How to register

Complete and file a Business License Application online.

Questions?

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