

## SPX - Tax policy - Selling practices

**GUIDE.SUMMARY** What is the policy? Our policy helps provide guidance on tax. As eBay can't give tax advice, sellers should contact the appropriate tax authority for more information about their tax obligations. Sellers are responsible for paying taxes associated with using eBay in accordance with all applicable laws.

**Income Tax** Sellers may be required to declare and pay taxes on income earned from eBay sales.

**Tax on eBay fees** Depending on where you live, value added tax (VAT), goods and services tax (GST), sales tax, or similar consumption tax might apply to your eBay seller fees.

- If you reside or have primary place of business in Canada, Canadian Goods and Service (GST) is payable on your eBay fees. Harmonized sales tax (HST) or Quebec sales tax (QST) may also apply, depending on the province where you are located. eBay will include these in your eBay seller fees and provide an invoice showing the amount of tax paid.
- Sales tax on items sold on eBay

Depending on where you live and where your buyer lives, VAT, goods and services tax (GST), sales tax, or similar consumption tax might apply to items you have sold on eBay:

- Your registration address needs to be up to date and you should not misrepresent where your items are located.
- You are responsible for paying any applicable taxes in accordance with the appropriate laws and regulations.
- Tax may be added on the listing price or at checkout depending on the item location and the buyers shipping address.
- You should only charge tax in states where you are authorized to collect tax and should only collect the legally authorized amount. You can specify sales tax for each state in which you're required to charge sales tax by <https://www.latest.ebay.com/help/selling/fees-credits-invoices/taxes-import-charges?id=4121&st=taxes#section1> setting up a tax table.
- For listings on eBay.ca, you must set up the tax table with the rate you wish to charge.
- You will need to provide eBay with copies of permits or equivalent documentation for each state in which you are authorized to collect sales tax.
- Sales tax information may not be included in your

item title, image or description

- Local Consumer Tax and/or Customs duty may apply to international transactions:
- Contact your local tax office for information on paying tax on items exported overseas
- You may also have tax obligations in other countries if you are doing business overseas
- [Information about value added tax \(VAT\)](https://sellercentre.ebay.co.uk/business/about-vat)
- European Union: If you're selling to buyers located in the EU, read our article on your VAT obligations in the EU
- [for Canada](https://www.latest.ebay.com/help/selling/selling/vat-obligations-eu?id=4650)
- [Australia: Goods and Services Tax \(GST\) applies to goods imported by consumers into Australia](https://www.latest.ebay.ca/help/selling/selling/vat-obligations-eu?id=4650)
- Orders up to AU \$1,000: From 1 July 2018, if an item is located outside Australia and the buyer selects a shipping address in Australia, eBay will add GST to the order total at checkout. You'll receive payment for the order value (item price + shipping costs) as usual. eBay remits the GST portion to the Australian Taxation Office (ATO)
- You'll need to ensure that you include eBay's ABN number and the customs code on the package
- eBay's ABN # 64 652 016 681
- Code: PAID
- Note: Later this year, these details will be included with the buyer's shipping address
- Orders over AU \$1,000: eBay does not collect GST on orders over AU \$1,000 as this is generally collected at the Australian border
- Other countries: For information about tax obligations when selling to buyers in all other countries, please contact the appropriate tax authority

Please note that eBay will share your information with government authorities if required to do so by law.

## Information for buyers on eBay.ca

- All listing prices on eBay.ca are exclusive of GST/HST/QST, where applicable. Applicable taxes may be added at checkout
- If you've bought an item and you need a tax invoice showing the GST/HST/QST component, please

contact the seller

- Why does eBay have this policy? This policy helps ensure that government regulations are followed.

## GUIDE.TALKING\_POINTS

[Why did I receive an email to provide my Sales and Use Tax Permit?](#)

- eBay and its sellers need to follow federal and local regulations, so were asking sellers who are charging sales and use tax to buyers to submit their Sales and Use Tax Permits. You should not use the eBay Tax Table to collect tax in any state where you do not have the appropriate permits. In addition, you should not collect any more sales tax than is appropriate for those states where you are authorized to collect.
- This will ensure that we are providing the best experience possible for the eBay community while meeting those laws and regulations.
- I am a drop shipper and need to charge sales tax because I am being charged sales tax from my supplier. How does this apply to me?
- We understand that some sellers are using drop shippers, including Amazon, and that some of these drop shippers charge sales tax to our sellers. However, a seller should not use the eBay Tax Table to collect tax in any state where they are not registered and authorized to collect tax.
- The sales tax implications of drop shipping are complex, and sellers should discuss how best to handle their taxes with a tax adviser. Sellers can use the services of companies that will assist them in registering for sales tax purposes, or they can register to collect sales tax in a state on their own. If a seller obtains this registration in one or more states, they can then begin to use the eBay Tax Table.
- How do I submit my documentation?
- You can submit your Sales Tax Permit through the Document Uploader URL you received. Just click on the URL in that email and attach the relevant documents.
- What if I don't have the documentation?
- In order to charge sales tax to buyers located in the U.S., you will need to have a Sales Tax Permit for each state where you collect tax. If you do not, you are not permitted to charge sales tax and will need to revise your Tax Table and any current listings so that you no longer collect tax in any state where you are not authorized to collect tax.
- How long do I have to submit my

documents? <ul> <li>You will need to provide your documents within 7 days of receiving the email notice, unless otherwise specified. If you do not, and you continue to charge sales tax, you risk possible restriction or suspension.</li> </ul> What are you looking for in my documents and what is the acceptable documentation? <ul> <li>We will accept only Sales and Use Tax permits issued to you or your business. Receipts showing that your taxes are paid or your city or state business license is not acceptable.</li> </ul> My account was suspended,&nbsp;and I didnt get a chance to submit my documents? <ul> <li>As stated in the email you received, you have 7 days from the time you received it to submit your documents. If you provide the relevant documents through the Document Uploader URL link received in your email, we will review in a timely manner. If we do not receive those documents, or they are not complete, your account will remain suspended. Please do not charge sales tax if you do not have the appropriate permits.</li> </ul> I submitted my documents and would like to follow up on my account status. Internal Information Review the Issues Tool for one of the following, which will let you know where the seller is at in the review process: <ul> <li>Issue 523: Seller reviewed for Sales tax compliance</li> <li>Issue 609: Seller has provided sales tax documents</li> <li>Issue 611: Seller has removed their sales tax table</li> </ul> If none of these issues are present or more than 7 days have passed since they received the initial notification, please contact <u><a href="mailto:DL-eBay-sales\_tax\_review" target="\_blank">DL-eBay-sales\_tax\_review</a></u>. The team responsible will follow up with the member. Do not add or remove any of the sales tax issues outlined above. These are explicitly reserved for the sales tax enforcement team.       </h2><h2>GUIDE.INSTRUCTIONSSTEPS\_TO\_RESOLVE Next steps <ul> <li>If you are no longer charging sales tax, you dont need to do anything more.</li> <li>If you are charging sales tax and have provided approved documents verifying that you are authorized to charge sales tax, you simply need to ensure that your tax table data is up to date and current.</li> <li>If you are charging sales tax, but havent provided documents authorizing

you to charge sales tax, you must do so immediately.


- If you are charging sales tax and have provided documentation which does not verify that you are authorized to charge sales tax, you need to:
- Stop charging sales tax immediately
- Submit additional documentation

We no longer allow tax details to be added to item description (must be in tax table)

- Unable to adjust tax table

When a member uses Chrome or Firefox, they may not be able to adjust the tax table after clicking the Clear all at the bottom of the tax table page.

The workaround is to remove the values in the text box and click Save.



[https://cskb.qa.ebay.com/library/EBAY/Images/GUIDE/1501%20-%20202000/1576/image\\_clear\\_all.png](https://cskb.qa.ebay.com/library/EBAY/Images/GUIDE/1501%20-%20202000/1576/image_clear_all.png)

- Remove sales tax
- Click on Account tab
- Click Site Preferences / Selling preferences
- Next to "Sales tax table," click Edit
- Remove each number by state (current Clear All button not working)
- Click Save

Internal Information

If seller is appealing a consequence and has completed the above, send the appeal to [DL-eBay-sales\\_tax\\_review](mailto:DL-eBay-sales_tax_review) for review.

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