## **CPA**

## Practice **Advisor**

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us



## TaxJar

## www.taxjar.com

From the 2018 review of Sales & Use Tax systems.

Designed specifically for those that sell on an e-commerce platform, TaxJar can also be used by accountants to manage sales and use tax returns and filings for their clients. TaxJar integrates with a variety of e-commerce platforms including Amazon, Ebay, PayPal, and Magento, along with several others. The product also includes SmartCalcs API that can calculate sales tax for any U.S. location, along with several international locations including Canada, Australia, and the European Union.

Immediately upon signing up for TaxJar, users will be asked which e-Commerce account they would like to link to, with options such as Amazon, Magento, PayPay, Etsy, Shopify and others available. Users can also import sales data via a CSV file, or by using the SmartCalcs API. Users can link to more than one account and can link to as many accounts as necessary.

Once data import is complete, users will have access to their dashboard, which provides a year-to-date summary of gross sales, taxed sales, and sales tax collected.

TaxJar also displays the states where sales tax is currently being collected. This can be the state that the business is located in or states where you have already been collecting taxes.

Each state where tax is collected has its own state tax report. TaxJar will calculate the

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

track exempt product properly, likely resulting in a tax overpayment.

SmartCalcs is an optional module that users can purchase that handles both origin based and destination-based tax sourcing rules, eliminating the need to handle rules and calculations manually. The product also handles multi-state Nexus, as well as international support for the European Union or Canada. SmartCalcs also supports calculations for VAT as well.

TaxJar supports exemptions for Amazon sellers and those that utilize SmartCalcs, with users able to categorize specific products as exempt. The product currently supports the most common exemptions and are always adding more exemptions. Those linked with other shopping cart programs will not be able to use the exempt option, though TaxJar does expect to add the option in the future.

TaxJar handles use tax reporting, with the destination report including a breakdown by county, city, and jurisdiction to simplify the filing process.

TaxJar offers integration with a variety of popular e-commerce platforms including Amazon, BigCommerce, eBay, Ecwid, Etsy, Magento, PayPal, Shopify, Stripe Relay, Square, Walmart, WooCommerce, and Xero.

TaxJar offers users an excellent selection of help and resources, including a brief demo video that can be accessed from the home page. Users can also access the numerous articles that are available on the product support page, or type in a search term to view various resources available. A manual sales tax calculator is available on the TaxJar homepage, and users can also browse the FAQ's that are available.

TaxJar offers a free 30-day demo of the product, where users can try out and later purchase if desired. Product support is available via email, with users filing out the brief contact form to request support.

TaxJar is a good solution for those selling on an e-commerce platform. The product is

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Sales Tax

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

 $\hbox{@ }2024$  Firmworks, LLC. All rights reserved