applications. While best suited for businesses, TaxJar also offers a …

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TaxJar

www.taxjar.com

From the 2020 reviews of sales tax compliance systems.

TaxJar is best suited for businesses that actively sell products online, integrating with a number of popular e-commerce platforms along with third-party accounting applications. While best suited for businesses, TaxJar also offers a Tax Advisor program aimed at accounting professionals that actively offer sales and use tax management to their clients. Included in each plan is AutoFile, an electronic filing service for state sales tax. Once enrolled, AutoFile uses the information provided from e-commerce platforms to automatically prepare and file state sales tax returns by their due date. AutoFile is available for all 45 states that currently impose a state sales tax.

When signing in to TaxJar for the first time, users have the option to connect any and all platforms they wish. For those not connecting to a specific selling platform or accounting application, data can be imported using a CSV file format.

TaxJar navigation is easy, even for new users, with access to all system features available from the menu at the top of the screen. Users are able to access all current system transactions, and the filing history feature provides easy access to returns that have been filed for all states. The dashboard also displays vital data such as year-to-date sales totals, gross sales, taxed sales, and total sales tax collected.

During the setup process, users will need to enter any state where tax is currently being collected or states where they will be collecting tax in the future. The

application displays the states chosen. TaxJar includes address validation to ensure

complete breakdown of actual versus expected tax amounts at the state, county, city, and district level, to determine whether tax has been under or over-collected.

TaxJar creates reports that display summarized tax totals, with totals available for any state where taxes have been collected. Once a report has been processed, users have the option to file a return manually or via the state's website. Users can also opt to use the AutoFile feature, though it's not recommended for businesses that have a high volume of sales tax exemptions, since AutoFile does not recognize tax exemption certificates at this time.

TaxJar includes a Sales and Transaction Checker which allows users to view any states where the threshold for economic nexus has been crossed. The checker also includes sales totals as well as the number of transactions processed.

TaxJar offers top-notch integration capability via connectors, and is able to connect with third-party accounting and e-commerce platforms including Amazon.com, Magento, PayPal, QuickBooks, NetSuite, Xero, Etsy, eBay, Shopify, Square, BigCommerce, Stripe, Walmart, and WooCommerce, along with several others. Users can also connect to more than one platform if necessary.

TaxJar offers a variety of help and support options on the Help Desk page, which includes Getting Started articles, Sales Tax 101, AutoFile Enrollment, and Reading Reports. Users can access help for the TaxJar API, view a variety of video guides, as well as tax tips for those selling internationally. The Help Desk knowledge base is completely searchable, and also includes detailed help for integrating with specific selling platforms. Product support is only offered via email or by using the support request form on the TaxJar website.

TaxJar is a great fit for those selling products on an eCommerce platform, with a Tax Advisors plan available for accountants who manage sales tax reporting and filing

for numerous clients. There is a separate portal available for accounting firms to log

try out prior to purchasing.

2020 Overall Rating – 4.5 Stars

Strengths:

- Offers an auto-file option for easy state filing
- Works behind the scenes to calculate sales tax
- Offers a Tax Advisor plan for accounting professionals

Potential Limitations

- AutoFile option not suitable for all platforms
- API only works in specific countries

Sales Tax

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