

We charge a \$100 deposit per lot, then balance bill to your credit card for additional expenses

Option 1 - Standard Carrier

Scottsdale Art Auction will handle the packing and shipping for you.

- Fastest Delivery
- Our standard service is UPS ground; large/heavy items will ship using Craters & Freighters
- Tracking Information sent to your email
- Our fees:
 - \$30 packing fee per piece
 - The cost of the box or crate used
 - The actual cost of shipping

**Scottsdale Art Auction provides insurance for the amount in excess of \$2,500 at no additional charge. Insurance for the first \$2,500 of each piece will be provided for an additional fee.*

Option 2 - Auction Shuttle

Service provided by a trusted third party.

- More economical pricing
- Delayed Delivery; could be several weeks after auction
- Not available in all areas; if not, standard carrier is used

**Scottsdale Art Auction provides insurance for the amount in excess of \$2,500 at no additional charge.*

Option 3 - Coordinate your own shipping

- Not covered by auction insurance once the item(s) are picked up
- Must pay Arizona sales tax

Third-party shipper recommendations:

Art Delivery Services
(505) 982-6155
www.artdeliverservice.com
shipping@artdeliverservices.com

Craters & Freighters
(480) 966-9929
www.cratersandfreightersphoenix.com

Leahy Fine Art Services
(843) 247-2231
www.leahyfineartservices.com

The Wayfair Decision

On June 21, 2018, the U.S. Supreme Court issued its opinion in *South Dakota v. Wayfair*, a landmark sales and use tax nexus case. The Court ruled that a state can require an out-of-state seller to collect sales or use tax on sales to customers in that state, even though the seller lacks an in-state physical presence. Under certain circumstances, an economic or virtual presence can create nexus (a sufficient connection with the state), subjecting a seller to tax collection and remittance requirements in a state. In the months since the *Wayfair* decision was handed down, many states have adopted similar economic nexus provisions or policies that require remote sellers meeting certain sales thresholds to collect and remit tax.

Background

The Commerce Clause of the U.S. Constitution requires that a seller have “substantial nexus” with a state before the state can require the seller to collect and remit sales and use taxes. Historically, under a precedent affirmed in the 1992 case of *Quill Corp. v. North Dakota*, this nexus depended on whether the seller had a physical presence in the state. The presence could be through the company’s activities or property, or through the activities of its agents in the state. Over time, states stretched the boundary of this standard by asserting “click through” nexus and affiliate nexus. Now “economic” nexus policies, like the South Dakota law in *Wayfair*, stretch it further still, with states asserting jurisdiction to impose sales tax collection responsibilities on companies that meet certain sales thresholds.

What This Means For You

The *Wayfair* decision affects companies doing business and shipping out of state. The most immediate impact is on sellers with a significant economic presence in a state that asserts economic nexus. Many states have adopted an economic nexus policy since *Wayfair* was decided, with enforcement dates and compliance mechanisms varying by state. Sellers delivering taxable products or services into states with economic nexus policies must determine if they surpassed the dollar amount or transaction volume thresholds for establishing nexus with the state; if so, they must collect and pay sales tax on each transaction. **Arizona residents, even if shipping items out of state, must pay Arizona tax.** Upon receipt of your shipping destination address the applicable tax (if any) will be applied to your invoice. Items will be shipped once the invoice has been paid in full, including the tax.

**As per the law the Purchaser will be required to pay any and all state and local tax pertaining to sales (sales tax, transaction privileged, etc...). It is the Purchaser's responsibility to pay any applicable use tax imposed by their state of residence on the total purchase price. In the event that sales tax has not been included in the invoiced amount and it is subsequently determined that Scottsdale Art Auction LLC was required to collect sales tax in connection herewith, Purchaser shall reimburse Scottsdale Art Auction LLC upon demand for any sales tax (or equivalent) assessed or due as a result of goods or services provided by Scottsdale Art Auction LLC hereunder, unless Purchaser provides Scottsdale Art Auction LLC satisfactory evidence of exemption from such taxes.*