culturetrust
GREATER PHILADELPHIA

A Guide to Selling Project Merchandise Online

Sales tax needs to be charged on all merchandise sold in PA except for clothing. Clothing taxation varies from state to state, so be sure to check in with your Community Director to see if the state in which you're selling your clothing is liable for sales tax.

Sales tax is determined based on what state the transaction is happening in.

In the case of online sales, whether sales tax needs to be charged depends on **where the purchaser is located**, and is usually determined by shipping address. Online sales also include shipping tax, so please check to see if that is included when you choose a platform.

Most online platforms, including SquareSpace, Wix, Square, Bonfire, Shopify, etc.) will have a tool as part of their ecommerce setup that can determine the sales & shipping tax that should be added to the sales price you set. The customers will see this as part of their transaction, but **you need to set it up** on the back end when setting up your merch store!

Once you have your online merch store set up, **please contact your Community Director** to input the CultureTrust bank account information into your account and so CultureTrust staff knows what you're selling. It's CultureTrust's job to make monthly sales tax payments to the state for all projects.

And once your store is set up, and you receive weekly or monthly statements from your online sales platform, please email them with details on the items sold (how many of which item) to the CultureTrust Finance Department staff to reconcile them and provide you with accurate financial reports!

COMPARING ONLINE STORE PLATFORMS

Platform	Platform Fee	Payment Processing Fee	Sales Tax Setup
SquareSpace	Starts at $18/month + 3% for every transaction on the Business Plan	Varies, depending on what payment processor you choose	Needs to be set up on when building the store, but no details on shipping tax
Wix	Starts at $23/month	Fees are 2.9% plus 30 cents for every online credit card transaction	Needs to be set up on when building the store, but no details on shipping tax
Bonfire	Free platform but…	There is a comprehensive 8% processing fee to cover transaction fees and other administrative fees	Sales tax is deducted based on the buyer's address and paid directly to the state
Shopify	Starts at $29/month, and 2.9% plus 30 cents for every transaction on the Basic plan	Fees are 2% on the Basic plan, unless you choose Shopify Payment Processing	Needs to be set up on when building the store, including shipping tax rates
BigCartel	Starts at $9.99/month	Varies, depending on what payment processor you choose	Needs to be set up on when building the store, but no details on shipping tax
SquareUp	Starts with a free plan	2.9% plus 30 cents for every transaction on most of their plans	Needs to be set up on when building the store, but no details on shipping tax