culturetrust
GREATER PHILADELPHIA

A Guide to Selling Project Merchandise Online

WHAT YOU NEED TO KNOW

Sales tax needs to be charged on nearly all merchandise sold in PA, with major exceptions for clothing, fresh produce, and online subscription services like periodicals. Most other items, such as pins, stickers, posters, notebooks, stationery in general, or other accessories are taxable.

If there's a product that you're interested in selling in your store but are unsure whether it's taxable, you can refer to the PA State retailer's information guide (Form REV-717) and do a search for the product you're curious about. The list of products and their tax statuses begin on Page 16 (labeled Page 14 on the pdf itself), with items marked as T for *taxable* and NT for *non-taxable*.

If any of the products your project wants to sell is T for taxable, then check with CultureTrust staff before you start selling items so we can set up your sales/ecommerce platform to charge the proper sales tax on the proper items. Otherwise, we will have to make up the sales tax payment from your sale profits, since CultureTrust is required to pay all state sales tax each month.

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 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 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 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 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 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 when building the store, but no details on shipping tax