In September, South Dakota lawmakers met in special session to finalize a policy change that Gov. Dennis Daugaard said was “50 years in the making.” He signed two bills that allow the state to act on its new legal authority to collect taxes from remote and online sales.

Under SB 1, which takes effect on Nov. 1, South Dakota will enforce sales tax collections from online retailers who have at least $100,000 in sales or 200 transactions a year. A second bill approved in the recent special session (SB 2) requires online marketplace providers such as Amazon to attain a sales tax license and remit sales taxes on behalf of sellers that use their services.

Earlier this year, in its South Dakota v. Wayfair decision, the U.S. Supreme Court overturned previous rulings (Quill Corp. v. North Dakota in 1992 and Hess v. Illinois in 1967) that had barred states from requiring a vendor with no physical presence within their border to collect sales taxes. According to the Tax Foundation, Illinois, Indiana, Michigan, Minnesota, North Dakota and Wisconsin were among the states whose new laws on online sales taxes took effect Oct. 1. Other Midwestern states will begin collections in a few months.