



SST State and Local Advisory Council

Meeting Minutes

May 12, 2006 – Des Moines, Iowa

Steering Committee

Minutes from the prior meeting

Diane Hardt
Chair
Wisconsin

Andy Sabol, North Carolina, made a motion to accept the minutes. The motion was seconded by Tom Gillaspie, Nebraska. All were in favor per a voice vote.

Marshall Stranburg
Vice Chair
Florida

Bundling – Sherry Harrell, Tennessee

Sherry discussed the plan arrived at in the work group:

Richard Dobson
Kentucky

- May 17 – Business-only teleconference will be held. Discussion will include five issues where BAC and SLAC do not agree.
- Sherry will send a paper summarizing the agreements and disagreements by Monday.
- A new paper will be sent to states on May 23.
- May 31 and June 2 – State-only teleconference to discuss issues still remaining for BAC.
- June 19 – Combined SLAC and BAC teleconference to go over Part II of the paper and work through remaining issues in Part I of the paper.
- After all teleconferences, Sherry will distribute paper for Memphis and list of outstanding issues.

Craig Rook
New Jersey

Tom Kimmett
Pennsylvania

Sherry Harrell
Tennessee

Cindy Yates
Washington

Mike Bailey
GFOA
City of Renton, WA

Information Report – Sherry Harrell

- Only eight or nine states were in the breakout meeting and not all that were in the meeting made suggestions.
- A question was raised about what happens if a new state comes into compliance and needs additional items on the information report. Answer agreed to was that a recommendation of new items would be made to the Governing Board once per year.
- Currently there are no criteria as to when items can be added to the information report. Group only knows that it should be a very limited list.
- Sherry will contact states and ask whether there are new items that should be added to the information report list.
- Of the existing report items, it was decided that:
 - Agriculture and manufacturing should be split.
 - Agriculture will be one line.
 - Exempt entity will include religious, educational, and charitable organizations, etc. (all-inclusive).
 - Resale and direct pay will be split.
 - Magazines and newspapers will be added.
- A teleconference on the information report will be held on May 18.
- States should submit criteria suggestions to Sherry on how to keep the list small.

Sonny Brasfield
NACO

Multiple Points of Use – Judy Niccum, Minnesota

- BAC has a proposal to review that would make the MPU optional (“shall” to “may”).
- Carolynn lafrate will provide a proposed agreement amendment next week plus a paper with examples from the Atlanta meeting. Judy will forward that information to the states.
- May 24 – State-only teleconference at 10:00 a.m. (CST) with Carolynn.
- Judy will put decisions made at the Atlanta meeting into the paper with any other items that were agreed to at the work group meeting.
- A series of teleconferences will be held prior to the Memphis meeting. Judy will notify states once the phone line schedule is reviewed.
- The paper will be finalized in Memphis with a ½ day workgroup meeting.
- The sourcing group will need to do more work on professional services.
- The MPU work group needs to work with the Audit work group to address allocation documentation.

Diane reminded those scheduling teleconferences to provide notice through the SLAC e-mail list

Purchaser Use Tax Issues – Jane Page, South Dakota

- A paper on replacement taxes is on the SST web site.
- Jane will contact states to determine which states have added replacement taxes so that work can continue on addressing reciprocity (i.e., credits for tax paid to another state).
- There is still an issue with “services necessary to complete the sale.” A subgroup will be formed to address reimbursed expenses. BAC will provide examples to Jane.
- Amendments for reliance by purchasers on the taxability matrix and rate database information have been provided by Marshall Stranburg, Florida, and Steve Kranz.

Audit – Diane Hardt on behalf of Ed Phillips, Ohio

- Deliverables will be discussed in a work group meeting in St. Paul.
- Audit managers need to get more involved in this work group.

Public Comment

None

Next Meeting

- July 19 and 20 – Memphis
- August 28 through 31 – Bismarck

Meeting adjourned.

Prepared by: Vicki Gibbons, Wisconsin
August 7, 2006