

The Streamlined Sales Tax Governing Board’s State and Local Advisory Committee proposes to add Section 331 to the Streamlined Sales and Use Tax Agreement:

OR

A motion by _____ to add Section 331 to the Agreement relating to relief from liability for purchasers in certain circumstances:

Section 331: RELIEF FROM CERTAIN LIABILITY FOR PURCHASERS

- A. A member state shall relieve a purchaser from liability for penalty to that member state and its local jurisdictions for having failed to pay the correct amount of sales or use tax in the following circumstances:
 - 1. A purchaser’s seller or CSP relied on erroneous data provided by that member state on tax rates, boundaries, taxing jurisdiction assignments, or in the taxability matrix completed by that member state pursuant to Section 328; or
 - 2. A purchaser holding a direct pay permit relied on erroneous data provided by that member state on tax rates, boundaries, taxing jurisdiction assignments, or in the taxability matrix completed by that member state pursuant to Section 328.
 - 3. A purchaser using databases pursuant to subsections (F), (G) and (H) of Section 305 relied on erroneous data provided by that member state on tax rates, boundaries, or taxing jurisdiction assignments. After providing adequate notice as determined by the governing board, a member state that provides an address-based database for assigning taxing jurisdictions pursuant to Section 305, subsection (G) or (H) may cease providing liability relief for errors resulting from the reliance on the database provided by the member state under the provisions of Section 305, subsection (F).

- B. For purposes of this section, the term “penalty” means an amount imposed for noncompliance that is not fraudulent, willful, or intentional which is in addition to the correct amount of sales or use tax and interest.

- C. A member state may allow relief on terms and conditions more favorable to a purchaser than the terms required by this section.