

Purchaser Use Tax Issues- Reliance on Published Information
February 21, 2006

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OPTION 1 – Penalty Relief

- 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.
- 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.

OPTION 2 – Penalty Relief and Optional Additional Relief

- 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.
- 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.

OPTION 3 – Penalty and Interest Relief

A. A member state shall relieve a purchaser from liability for penalty and interest 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.

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.

OPTION 4 – Penalty and Interest Relief and Optional Additional Relief

A. A member state shall relieve a purchaser from liability for penalty and interest 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.

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.

OPTION 5 – Tax, Penalty, and Interest Relief

A. A member state shall relieve a purchaser from liability for tax, interest, and 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.

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.