

# Streamlined Sales Tax Project

July 29, 2005

## Steering Committee

Diane Hardt  
Co-Chair  
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Scott Peterson  
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Scott Peterson, Interim Executive Director  
SST Conforming Sales Committee  
c/o Federation of Tax Administrators  
444 North Capitol Street, N.W., Suite 348  
Washington, DC 20001

R. Bruce Johnson, Co-Chair, Implementing States  
Streamlined Sales Tax Project  
Utah State Tax Commission  
210 North 1950 West  
Salt Lake City, UT 84134

Senator Angela Monson  
Oklahoma State Senate  
2300 North Lincoln Boulevard  
Oklahoma City, OK 73105

Dear Mr. Peterson, Mr. Johnson, and Senator Monson:

Pursuant to Section 902 of the Streamlined Sales and Use Tax Agreement, I am submitting two matters involving interpretation of the Agreement.

1. **Floral Orders Through Floral Delivery Networks.** The Society of American Florists would like confirmation that the florist accepting and transmitting an order is the "seller" under the Streamlined Sales and Use Tax Agreement. The Society has requested confirmation of the following words:

**In the case of floral orders taken by one florist or floral business and transmitted by telegraph, telephone or other means of communication to another florist for delivery, the florist or business taking and transmitting the order shall be deemed to be the seller for purposes of liability for sales and use tax regardless of whether the sending florist is registered to collect and remit sales and use tax in the state where the sale is sourced. Floral orders are orders for flowers, floral arrangements, potted plants, floral containers or any other article common to the floral business. The order from the florist or business taking and transmitting the order shall be sufficient documentation that the florist delivering the order has no liability for sales and use tax.**

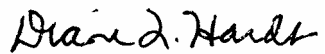
Documentation is attached.

- 2. Food Definitions Interpretations.** Food industry representatives have requested the Streamlined Sales Tax Project to clarify a number of terms/words used in food definitions. Project members and food industry representatives worked together to develop the clarifications and interpretations in the attached issue paper and chart. The Project approved this issue paper in January 2005 for forwarding to Implementing States.

Please note that the Project continues to work on another issue – bulk items like milk and bread that are sold by restaurants and taverns that normally sell prepared food. The Project will address this issue at the August 2005 meeting.

If you have any questions, please contact me.

Sincerely,



Diane L. Hardt, Co-Chair

cc: Drew Greunburg, Society of American Florists