

## AD06005

### A motion by SLAC for a rule relating to telecommunications sourcing:

#### ARTICLE III – REQUIREMENTS EACH STATE MUST ACCEPT TO PARTICIPATE

##### Rule 314. Telecommunication and Related Services Sourcing

###### Rule 314.1. Use of Uniform Telecommunication and Related Services Sourcing Rules

**1. Who is required to use.** Uniform sourcing rules pertaining to telecommunications services, ancillary services and Internet access service that are contained in section 314 of the Streamlined Sales and Use Tax Agreement shall be used by all member states that impose sales and use taxes on such services, Member states must utilize the sourcing definitions contained in section 315 in applying the sourcing rules in section 314.

**2. Use of sourcing rules.** Sourcing rules pertaining to telecommunications services, ancillary services and Internet access service that are provided in section 314 of the Streamlined Agreement shall be used by member states that impose sales or use taxes on such services. These sourcing rules do not apply to other services not included in the definition of “telecommunications service” or “ancillary service” or that are not Internet access service. Nothing in the Agreement shall be construed to require states with existing excise taxes on telecommunications and related services to modify their existing excise tax sourcing rules.

**3. Use of sourcing definitions.** The sourcing definitions provided in section 315 are only applicable for applying the sourcing rules. They do not apply for tax imposition or exemption, which requires the use of the definitions contained in the Library of Definitions.

**4. Location of the customer is not known.** If the location of the customer’s service address, channel termination point or place of primary use is not known, the location where the seller receives or hands off the signal shall be deemed to be the customer’s service address, channel termination point or place of primary use.