

May 12, 2015

AMCS, LLC
P.O. Box 974
Lehi, UT 84043
(801) 427-5938

Streamline Sales and Use Tax Governing Board
Executive Director, Craig Johnson
100 Majestic Drive, Suite 400
Westby, WI 54667

RE: Compliance Petition.

To Whom It May Concern:

I am writing this letter to formally file a petition against the State of Nevada for not being in compliance with the streamline sales tax agreement.

Facts

Nevada is a full member of streamline sales tax. The facts of this case have been well documented and the streamline sales tax governing board has failed to act in this matter. In fact the executive director has agreed with the state that transporting ready mixed concrete does not meet the definition of delivery and has agreed that the state is correct and that the taxpayer simply cannot accept the ruling of the state. It is true that the taxpayer cannot accept the ruling by the state and the executive director in this matter because both have failed to be able to reconcile the fact that ready mixed concrete that is mixed at the seller's location and is delivered to the place designated by the buyer can take place without transportation. Only after the executive director was asked to reconcile how the ready mix could get to from the seller's location to the place designated by the buyer without being transported and how this did not comply with the definition of delivery, did he agree that delivery took place. He also said that streamline would not get involved to resolve this matter. To date it has cost the companies involved that have asked for the private letter ruling over a million dollars in sales and tens of thousands of dollars in legal fees to fight the state over an extremely simple and straight forward matter. The streamline sales tax administration is not only required but should be more than willing to make certain that the states follow the agreement.

Nevada has in their latest tax matrix stated that they are going to include handling, crating, packing, preparation for mailing or delivery, and similar charges in the sales price. The state of Nevada has also elected to exclude from the sales price the transportation, shipping and postage and similar

CI15002

charges. The state of Nevada is out of compliance on this issue in which they are taxing transportation even though it is separately stated and all other requirements are being met. The state is simply stating that there is no such thing as transportation when it comes to ready mix concrete.

The executive director has previously received all correspondence to show the state of Nevada is out of compliance.

Conclusion

It is not only proper but extremely important that the streamline sales tax executive committee do everything within their power to insure compliance with the states. If the states can simply make up how they will apply the definitions that they have adopted and can simply rename the definitions so they can apply the new name however they determine, then streamline sales tax has huge issues. It is the responsibility of the executive director to apply the streamline sales tax agreement fairly not only to the states but to the taxpayer. It is obvious that this executive director is not doing either. As such is failing in his duties. A taxpayer should not have to be penalized and pay tens of thousands of dollars to insure that the member states are compliant with the agreement. The executive director has been made aware of this for the past almost six months and has failed to act in any way to resolve this matter. And in fact has caused a significant amount of grief by supporting the states non compliance. It should be noted that the case history and all of the supporting documentation will be provided to every member of the congress as to why streamline sales tax can never be adopted as it currently exists. It is simply not fair to the taxpayer that they have to know the sales tax laws and regulations in all 50 states. Streamline sales tax which is trying to simplify and make that possible is failing because they are not willing to or unable to enforce their own rules. We are hoping the streamline sales tax executive committee step up and do the right thing in this matter, which is to ensure the State of Nevada is in compliance and the taxpayer is not damaged any further.

Sincerely,

Val Gibson