

**Michigan suggested changes to the** motion by Oklahoma to amend the SSUTA by adopting a new section relating to “best common practices” and requiring states to complete a “best common practices matrix”:

### **Section 335: BESTCOMMON PRACTICES**

- A. For purposes of this section, “best common practices” shall mean those practices as adopted-recognized by the governing board as ~~the best common~~ practices in administration of the sales and use taxes in the member states regarding certain identified products, procedures, services, procedures, or transactions.
- B. A majority vote of the entire governing board is required to approve a motion to adopt-recognize a best common practices standard. The governing board shall provide public notice and opportunity for comment prior to voting on a motion to adopt-recognize a best common practice.
- C. Best Common practices adopted-recognized by the governing board shall be maintained in an Appendix to the Agreement.
- D. Conformance by ~~the member states to best common~~ practices adopted-recognized by the governing board shall be voluntary and no state shall be found not in compliance with the Agreement because the effect of the state’s laws, rules, regulations, and policies do not conform to follow each of the best common practices adopted-recognized by the governing board. However, all member states are encouraged to conform to the best common practices as much as possible.
- E. Notwithstanding paragraph D. of this section, all member states shall be required to complete the matrix ~~described to the best of its ability~~ and provide liability relief as provided in Section 335.1 of the Agreement. A member state shall not be found out of compliance if it completes the matrix to the best of its ability.

### **Section 335.1: BESTCOMMON PRACTICES MATRIX**

- A. To inform the general public of its practices regarding certain products, services, procedures, or transactions, each member state shall complete the best common practices matrix as adopted-recognized by the governing board. ~~The Each~~ member state’s entries in the common practices matrix shall be provided and maintained ~~in a database that is~~ in a downloadable format approved by the governing board.
- B. ~~In completing the best practices matrix, each~~ Each state shall affirm in its completed common practices matrix whether the state conforms to follows each provision of ~~the a~~ best common practices standard. If a state does not conform to one or more of the provisions of the best common practice standard, the state will enumerate explain the differences between its practice and the best common practice as adopted by the governing board.
- C. Each member state shall annually complete the best common practices matrix and post the completed matrix on ~~that state’s its~~ web site by August 1 of each year.
- D. A member state shall make a reasonable effort to provide notice of changes in its best-completed common practices listed in the matrix as soon as reasonably practicable at least thirty (30) days prior to the effective date of the changes.

- Further, such changes should be effective on the first day of a calendar month. Said Such notice shall be posted on the tax agency member state's website and submitted to the governing board. The governing board shall post notice of each state's changes in recognized common practices the change on its website and shall notify each certified service provider (CSP) of the change. No state shall be found not in compliance with the Agreement for failure to provide the notice as described herein.
- E. To the extent possible, A-a member state shall relieve sellers and CSPs from liability to the member state and its local jurisdictions for having charged and collected the incorrect amount of sales or use tax resulting from the seller or CSP relying on erroneous data information provided by the member state in the best common practices matrix.
- F. To the fullest extent possible, a member state shall relieve sellers and CSPs from liability to the member state and its local jurisdictions until the first day of the calendar month that is at least 30 days after notice of a change to a member state's the best common practices matrix is submitted to the governing board.