



100 Majestic Drive, Suite 400 ♦ Westby, WI 54667

Public Notice

30-day Public Comment Period Regarding Possible Sanctions

February 22, 2017

Public Notice

Pursuant to Section 809 of the Streamlined Sales and Use Tax Agreement (Agreement) and Streamlined Sales Tax Governing Board Rule 809, this message will serve as official notice of the commencement of the 30-day public comment period regarding possible sanctions that may be imposed on the states which the Streamlined Sales Tax Governing Board (SSTGB) found were not in substantial compliance with all of the requirements of the Streamlined Sales and Use Tax Agreement (Agreement). Those states which were found by the SSTGB to not be in substantial compliance with all of the requirements of the Agreement are Georgia and Indiana. Interested persons may submit any comments he or she would like the SSTGB Executive Committee to consider regarding any possible sanctions on these states. **All comments must be submitted no later than 5 pm central on Friday, March 24, 2017.** All comments should be addressed to the Streamlined Sales Tax Governing Board - Executive Committee. Comments may either be emailed to Craig Johnson, Executive Director at craig.johnson@sstgb.org or mailed to Streamlined Sales Tax Governing Board, Inc., 100 Majestic Drive, Suite 400, Westby, WI 54667. All public comments received will be posted to the SSTGB website.

The specific Section of the Agreement and issue(s) on which the SSTGB determined the state as not in substantial compliance are as follows:

- **Georgia** - Georgia has been found to not be in substantial compliance with the Agreement with respect to the following issues:
 - Section 317.C. – Administration of Exemptions – The Section provides in part that “Each state shall relieve a seller of the tax otherwise applicable if the seller obtains a fully completed exemption certificate or captures the relevant data elements required under the Agreement within 90 days subsequent to the date of sale...” Rather than just providing this liability relief to sellers who obtain a fully completed exemption certificate within 90 days subsequent to the sale, Georgia imposes a requirement under Section 48-8-38 that the exemption certificates must also be accepted in good faith. Although these additional requirements may be placed on a seller if the seller did not obtain an exemption certificate within 90 days subsequent to the sale, they cannot be placed on the seller if the seller obtained the fully completed exemption certificate within 90 days subsequent to the sale.
 - Section 318.C.3.c and d. – Uniform Tax Returns – Under the Agreement, effective January 1, 2011 a state must allow Model 4 sellers to file the simplified electronic return (SER) and effective January 1, 2013 a state must allow all sellers, including those not registered under the Agreement to file an SER. Georgia currently only accepts SERs from Model 1 Sellers.

- **Indiana** - Indiana has been found to not be in substantial compliance with the Agreement with respect to the following issue:

- Section 318.C.3.c and d. – Uniform Tax Returns – Under the Agreement, effective January 1, 2011 a state must allow Model 4 sellers to file the simplified electronic return (SER) and effective January 1, 2013 a state must allow all sellers, including those not registered under the Agreement to file an SER. Indiana currently only accepts SERs from Model 1 Sellers but is in the midst of a system upgrade that will enable Indiana to accept SERs from all sellers as required under the Agreement.

The Streamlined Sales Tax Governing Board’s Executive Committee will hold a public meeting no sooner than 10 days after the public comment period closes to consider the comments received and develop a recommendation regarding any possible sanctions that may be imposed on these states. During this meeting, there will also be an opportunity for public comments as well as an opportunity for the subject states(s) to be heard.

If you have any questions regarding this, please contact me.

Craig Johnson
Executive Director
Streamlined Sales Tax Governing Board, Inc.
100 Majestic Drive, Suite 400
Westby, WI 54667
608-634-6160 (W)
608-509-8971 (C)
craig.johnson@sstgb.org
www.streamlinedsalestax.org