1. Name(s) of Requestor(s): Jane A. Page

2. Contact Person:
   Name: Jane A. Page
   Address: 445 E Capitol Ave, Pierre, SD 57501
   Telephone: 605-773-3311
   Email: jane.page@state.sd.us

3. Agreement Section(s) involved:
   Section 311 - General Sourcing Definitions, and Section 310, General Sourcing Rules.

4. Statement of Background Facts (be succinct):
   A customer in State A sends equipment to a repair service in State B to be repaired. The repair
   service completes the repair and sends the equipment back to the customer in State A. In some
   cases the labor and parts are separately itemized on the bill, and in other cases it is a non-
   itemized bill.

5. Issue:
   1. Can the labor be sourced to one location and the parts to another, if itemized, or should they
      both be sourced to the same location?
   2. Where is the repair service sourced?

6. Proposed Interpretation:
   Both the parts and labor should be sourced to the same location and that should be where the
   customer takes receipt of the repaired item. In the case above it would be State A, 310A(2).
   Where the repair takes place is not a factor.
   Taking possession of tangible personal property or making first use of services is the definition of
   receive or receipt in Section 311. The customer cannot make use of the service until they receive
   the property.

7. Is expedited consideration requested? ☒ No ☐ Yes
   A request for interpretation/definition normally requires a minimum 60-day comment period. The
   comment period may be shortened to 10 days if the Committee grants a request for expedited
   consideration. See Governing Board Rule 902(D) and (H).

8. Date this Request is submitted: 6-4-09

Submit to: Scott Peterson, Executive Director
Streamlined Sales Tax Governing Board
Post Office Box 7081
Pierre, SD 57501
605-945-0052