

**A motion by Washington to adopt new Governing Board Rule 335 of the SSUTA as follows:**

**Rule – 335 Tax Administration Practice Rule**

- A. **Purpose.** This procedural Rule prescribes the procedures applicable to the selection of a tax administration practice under Section 335 of the Agreement.
- B. **Request for Selection of a Disclosed Practice.** This paragraph describes the procedures applicable to the development of a tax practice for disclosure.
1. **Request to the Governing Board:** A state or a person may request the Governing Board to select a tax practice for disclosure by completing the SLAC Assignment Form and submitting the Form to the Executive Director for placement on the Governing Board agenda for either a regular or a special meeting.
  2. **Referral to the State and Local Advisory Council.** The Governing Board may accept, modify or deny a request for the selection of a tax practice for disclosure. If the Governing Board accepts or modifies a request it will direct SLAC to develop and recommend a tax practice for disclosure. The referral to SLAC will be made using the SLAC Assignment Form. The SLAC Chair, in consultation with the President of the Governing Board, may form an informal workgroup to develop a tax practice for disclosure prior to a formal Governing Board referral.
  3. **State and Local Advisory Council**
    - a. Upon initiation of the process, the SLAC Chair will provide public notice of the formation of a workgroup and will invite participation from all interested parties. SLAC will establish a workgroup comprised of interested state, local government and business representatives who will, using expertise and assistance of the SLAC Steering Committee, prepare a draft tax practice for disclosure.
    - b. The SLAC Chair will provide the draft tax practice for disclosure to the SLAC delegates and the BAC with a reasonable opportunity for review, comment, and participation in continued development of the draft tax practice.
    - c. The SLAC Chair will have sole discretion to call for formal final comments on a draft tax practice for disclosure from states, the BAC and other interested parties. Notice of such call for final comment shall be in accordance with Rule 806.2. Final comments shall be submitted to the SLAC Chair and Vice Chair within the specified time but in no case shall the period for submitting final comments be less than 20 days from the date of the notice for final comments on the draft tax practice for disclosure. The SLAC Chair will conduct a vote on

a tax practice for disclosure. If no quorum is present, the SLAC Chair will conduct an advisory vote, which will be reported to the Governing Board.

- d. The draft tax practice for disclosure together with all written comments and voting results shall be presented to the Governing Board and placed on the agenda of the Governing Board for either a regular or a special meeting.
- e. Notice is required consistent with Section 901.

C. **Requests for Selection of a Best Practice.** This paragraph describes the procedures applicable to the evaluation of a proposed best practice.

1. **Request to the Governing Board and Referral to the State and Local Advisory Council:** A state or a person may request the Governing Board to select a best practice from among the disclosed practices by completing the SLAC Assignment Form and submitting the Form to the Executive Director for placement on the Governing Board agenda for either a regular or a special meeting. The Governing Board may accept, modify or deny such a request. If the Governing Board accepts or modifies a request it will direct SLAC to evaluate and vote on the request as provided within this Rule.
2. **Request Directly to the State and Local Advisory Council:** A state or person may also directly request that SLAC evaluate whether a tax practice under development for disclosure pursuant to paragraph B of this Rule, should be selected as a best practice, unless the same request has been denied by the Governing Board. The request will be made by completing the SLAC Assignment Form and submitting the Form to the Executive Director. With respect to requests made directly to SLAC, the SLAC Chair will to the extent practicable, seek to complete the procedures under subparagraph C.3 of this Rule concurrent with the completion of the procedures set forth in subparagraph B.3 of this Rule.
3. **State and Local Advisory Council**
  - a. The SLAC Chair will schedule a meeting or meetings of the full SLAC with at least 30 days notice to consider a request for a best practice and the SLAC Chair will include the request in the meeting notice. Notice shall be in accordance with Rule 806.2. At the meeting or meetings, the SLAC Chair will allow the requestor to present the request and will solicit comments from the member states and the public.
  - b. Before concluding the full SLAC meeting or meetings in subparagraph C.3.a of this Rule, the SLAC Chair will conduct a vote identifying the number of SLAC members that support the selection of a draft tax practice or existing disclosed practice as a best practice. If no quorum is present, the SLAC Chair will conduct an advisory vote, which will be reported to the Governing Board.

- c. A proposed best practice together with comments and voting results shall be presented to the Governing Board and placed on the agenda of the Governing Board for either a regular or a special meeting.
- d. Notice is required consistent with Section 901 of the Agreement.