

A motion by Tennessee to amend AM09011 concerning the Product Definitions in Appendix C, Part II of the Library of Definitions of the SSUTA relating to the definition of computer software maintenance contract.

Appendix C

PART II

LIBRARY OF DEFINITIONS

Product Definitions

Software Maintenance Contract Definitions:

A “**computer software maintenance contract**” is a contract that obligates a vendor of computer software to provide a customer with future updates or upgrades to computer software, support services with respect to computer software or both.

A “**mandatory computer software maintenance contract**” is a computer software maintenance contract that the customer is obligated by contract to purchase as a condition to the retail sale of computer software.

An “**optional computer software maintenance contract**” is a computer software maintenance contract that the customer is not obligated to purchase as a condition to the retail sale of computer software.

A member state may limit the definition of “computer software maintenance contract” to one or more of the following:

1. Software maintenance contracts with respect to prewritten computer software;
2. Optional computer software maintenance contracts;
3. Mandatory computer software maintenance contracts;
4. Optional computer software maintenance contracts that do not include upgrades and updates delivered electronically, by load and leave, or both;
5. Computer software maintenance contracts that only obligate a vendor of computer software to provide a customer with future updates or upgrades to computer software;
6. Computer software maintenance contracts that only obligate a vendor of computer software to provide a customer with support services with respect to computer software.

~~For purposes of imposing tax, a member state may apply the definition of “computer software maintenance contract” to “a contract that obligates a vendor of computer software” or to “a contract that obligates a person” to provide a customer with future updates or upgrades to computer software, support services with respect to computer software or both.~~

A member state may include within its definition of “computer software maintenance contracts” contracts sold by a person other than the vendor of the computer software to which the contract relates.