

Section XXX. Credit for Taxes

A. Except as permitted by subsection 313 A 4, each member state shall provide credit for tax on the retail sale that is paid or collected by the seller from the purchaser against a purchaser's use tax liability imposed on the storage, use, or other consumption of that product in the member state.

1. For purposes of this section, "tax on the retail sale" is a sales, use or similar tax imposed on the retail sale of a product that is sourced to the taxing jurisdiction in accordance with the Agreement.
2. For purposes of this section:
 - a. Credit shall include credit for the state and, if any, local tax on the retail sale that is paid or collected by the seller from the purchaser. Allocation of credit for tax on the retail sale against purchaser's state and local use tax liability shall be governed by each state's laws.
 - b. Credit is limited to the amount of tax actually paid on the retail sale and does not include any credits allowed on the product in the other state, any tax refundable by the other state, or a tax exemption allowed on the product in the other state.
 - c. Credit is limited to tax paid on the retail sale of a product that is subjected to use tax imposed by the member state on the storage, use or other consumption of such product.
3. For purposes of this section, a member state is not required to provide credit for tax paid on the retail sale paid to another state if such other state does not allow a credit for taxes paid on retail sales to the member state.