

STATE NAME: _____

Streamlined Sales Tax Governing Board

Effective Date: _____

Section 328 Disclosure of Practices Matrix

Completed by: _____

E-mail address: _____

Phone number: _____

Date Submitted: _____

The “disclosure of practices” has been approved by the Streamlined Sales Tax Governing Board (SSTGB) for each of the products, procedures, services, or transactions identified in the chart below pursuant to Section 335 of the Streamlined Sales and Use Tax Agreement (SSUTA), as amended through _____, 2014.

Use of the term “State” in each practice refers to the state completing the Matrix.

Place an “X” in the appropriate column to indicate whether the practice does or does not apply in your state.

For each practice identified in this matrix and further described in Appendix E of the SSUTA which your state follows, place an “X” in the “Yes” column and enter the statute or rule that applies to your state’s treatment of this transaction in the References column.

For each practice identified in this matrix and further described in Appendix E of the SSUTA that your state does not follow, place an “X” in the “No” column and, if necessary, describe in the Comments column your state’s practice in this area.

Sellers and certified service providers are relieved from tax liability to the member state and its local jurisdictions for having charged and collected the incorrect amount of sales or use tax resulting from the seller or certified service provider relying on erroneous data provided by the member state in the disclosure of practices matrix.

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Practice from Appendix E	Brief Description of Practice	For each section, place an "X" in the YES column for the Practice your State follows. Place an "X" in the NO column if the practice does not apply in your State.		For sections with only NO responses, describe your State's tax treatment. Additional comments may be added for any response.	
		Yes	No	References: Statute, Rule, Cite	Comments
<p>Disclosure of Practices – Post Transaction Issues</p> <p>The purpose of this matrix is to disclose those transactions for which a seller may take credit for or receive a refund of sales or use tax refunded to the consumer.</p>					
<p>Returns 1.1</p>	<p>1.1 Returns—Restocking Fee Deducted from Refund Amount¹</p> <p>Consumer returns tangible personal property to seller. Seller retains a portion of the sales price as a restocking fee.</p> <p>Does member state allow seller to claim credit for or seek refund of sales or use tax paid on transaction?</p>				

¹ A restocking fee is a fee charged by the seller intended to compensate the seller for additional costs incurred due to the return of tangible personal property, such as increased handling or packaging and the reduced sale price of a resale to another customer. It is not a deduction based on damage or other issues with the tangible personal property.

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		Yes	No	References: Statute, Rule, Cite	Comments
Returns 1.2	<p>1.2 Returns—Restocking Fee Charged Separately</p> <p>Consumer returns tangible personal property to seller. Seller charges, in a separate transaction, a restocking fee.</p> <p>Does member state allow seller to claim credit for or seek refund of sales or use tax paid on the initial purchase of tangible personal property?</p>				
Returns 1.3	<p>1.3 Returns—No Refund of Delivery Charges</p> <p>Seller does not refund to consumer the amount charged for the initial delivery of the returned tangible personal property.</p>				

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		Yes	No	References: Statute, Rule, Cite	Comments
	Does member state allow seller to claim credit for or seek refund of sales or use tax paid?				
Returns 1.4	<p>1.4 Returns—Delivery Charge Imposed on Returned Tangible Personal Property</p> <p>Seller charges consumer a shipping and handling fee for the return of the tangible personal property. Seller reduces the consumer's refund amount by the shipping and handling fee.</p> <p>Does member state allow seller to claim credit for or seek refund of sales or use tax paid?</p>				
Returns 1.5	<p>1.5 Returns—Delivery Charge for Returned Tangible Personal Property Imposed in a Separate Transaction</p>				

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		Yes	No	References: Statute, Rule, Cite	Comments
	<p>Seller, in a separate transaction, charges consumer a shipping and handling fee for the return of the tangible personal property. Seller refunds the full sales price on the returned tangible personal property.</p> <p>Does member state allow seller to claim credit for or seek refund of sales or use tax paid on returned tangible personal property?</p>				
Returns 1.6	<p>Returns 1.6—Time Limitation on Return</p> <p>Does member state require that the return be made within a certain period of time in order for seller to receive credit for or refund of sales or use tax? If so, please specify time limitation in comments.</p>				

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		Yes	No	References: Statute, Rule, Cite	Comments
Returns 1.7	<p>Returns 1.7—Documentation of Sales Tax Paid</p> <p>Does member state require seller to provide proof that consumer paid sales tax on the original purchase? If so, please specify the documentation state requires.</p>				
Exchanges 2.1	<p>2.1 Exchanges</p> <p>If customer exchanges tangible personal property for higher priced tangible personal property, does state allow seller to report the difference between the returned tangible personal property and the exchanged tangible personal property as an increase in gross sales on the next return?</p>				

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		Yes	No	References: Statute, Rule, Cite	Comments
Exchanges 2.2	<p>2.2 Exchanges</p> <p>If customer exchanges tangible personal property for lower priced tangible personal property, does state allow seller to report the difference between the returned tangible personal property and the exchanged tangible personal property as a decrease in gross sales on the next return?</p>				
After Sale Discount for Cause 3.1	<p>After Sales Discount for Cause 3.1</p> <p>Consumer purchases tangible personal property and discovers after purchase that tangible personal property has cosmetic damage. The damage doesn't affect the tangible personal property's function, only its appearance. In lieu of return of the tangible personal property, seller refunds to the consumer a cash amount less than full sales price.</p>				

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		Yes	No	References: Statute, Rule, Cite	Comments
	Does member state allow seller to claim credit for or seek refund of the sales or use tax paid on original transaction?				
After Sale Discount for Cause 3.2	After Sale Discount for Cause 3.2 Consumer purchases tangible personal property and discovers after purchase that tangible personal property has cosmetic damage. The damage doesn't affect the tangible personal property's function, only its appearance. In lieu of return of the tangible personal property, seller refunds to the consumer some amount less than full sales price in the form of a certificate or other document that allows the consumer a reduction on a future transaction.				

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		Yes	No	References: Statute, Rule, Cite	Comments
	Does member state allow seller to claim credit for or seek refund of the sales or use tax paid on original transaction?				
After Sale Goodwill Discount 3.3	<p>After Sale Goodwill Discount 3.3</p> <p>After purchase of tangible personal property consumer has issue not related to the performance or quality of the tangible personal property but a problem with the experience surrounding the purchase. In order to retain customer seller gives customer a gift card or other certificate entitling customer to a discount on a future purchase.</p> <p>Does member state allow seller to claim credit for or seek refund of the sales or use tax paid on original transaction?</p>				

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		Yes	No	References: Statute, Rule, Cite	Comments
4.1 Price Match Guarantee	<p>4.1 Price Match Guarantee</p> <p>Seller offers consumers the refund of consumer's purchase price if consumer (after purchase) presents proof of lower price offered by a competitor. Seller refunds the full purchase price on the original transaction.</p> <p>Does member state allow seller to claim credit for or seek refund of the sales or use tax paid on original transaction?</p>				
4.2 Price Match Guarantee	<p>4.2 Price Match Guarantee</p> <p>Same facts as 4.1 except seller refunds to consumer part of the original purchase price in cash.</p> <p>Does member state allow seller to claim credit for or seek refund of the sales or use tax paid on original transaction?</p>				

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		Yes	No	References: Statute, Rule, Cite	Comments
5.1 Earned Retailer Discounts	<p>5.1 Earned Retailer Discounts</p> <p>Seller gives consumer a certificate good for \$10 off subsequent purchases for each \$50 spent. Consumer returns tangible personal property that earned a discount certificate and seller deducts the discount certificate amount from the refund.</p> <p>Does member state allow seller to claim credit for or seek refund of the sales or use tax paid on original transaction?</p>				
6.1 Refund to Consumer	<p>6.1 Refund to Consumer</p> <p>Does member state require seller to refund sales or use tax to consumer prior to paying refund to seller?</p>				

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		Yes	No	References: Statute, Rule, Cite	Comments
6.2 Refund to Consumer	<p>6.2 Refund to Consumer</p> <p>Does member state require seller to refund sales or use tax to consumer prior to approval of seller's refund application?</p>				