

DISCLOSURE OF TAX ADMINISTRATION PRACTICES
DRAFT – FOR DISCUSSION PURPOSES ONLY

Rule – 335 Tax Administration Practices Rule

- A. **Purpose.** The intent of this procedural rule is to prescribe procedures applicable to the selection of Tax Administration Practices pursuant to Section 335 of the Agreement.
- B. **Requests for Selection of a Disclosed Practice or Practices.** This paragraph describes the procedures applicable to the selection of a disclosed practice or practices pursuant to Section 335 of the Agreement.
1. Pursuant to Section 335 of the Agreement, the Governing Board shall act on requests for selection of a disclosed practice or practices brought by any member state or any other person in a manner prescribed in this rule. The Governing Board may choose to act or not to act on such a request. Where the Governing Board chooses to act on a request it will initiate the process by making a request of SLAC to develop a disclosed practice or practices. **[Place holder for form number if applicable].**
- 2. 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 and business representatives who will, using expertise and assistance of the SLAC Steering Committee prepare a disclosed practice or practices.
 - b. The SLAC Chair will provide the disclosed practice to SLAC delegates and the BAC with a reasonable opportunity for review, comment, and participation in continued development of the draft practice or practices.
 - c. The SLAC chair will have sole discretion to call for final comments on draft practice or practices from states, BAC and other interested parties. Notices 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 practices. SLAC will forward the draft practice or practices to the Governing Board and finalize its recommendation to the fullest extent possible with respect to the draft practice..
 - d. A proposed disclosed practice or practices together with all written comments shall be presented to the Governing Board and placed on the agenda of the Governing Board for either

a regular or a special meeting. At least thirty days notice to the member states and the public is required.

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C. Requests for Selection of a Best Practice or Practices. This paragraph describes the procedures applicable to the selection of a best practice or practices pursuant to Section 335 of the Agreement.

1. Pursuant to Section 335 of the Agreement, the Governing Board shall act on request for selection of a best practice or practices brought by any member state or any other person in a manner prescribed in this rule. The Governing Board may choose to act or not to act on such a request. Where the Governing Board chooses to act on a request it will refer that the matter to SLAC to consider and vote on the proposal as provided within this Rule.
2. The state or person bringing forth a request to the Governing Board must submit a proposal (proposal) for the selection of a best practice from among the disclosed practices, in writing and in electronic form, to the Executive Director. The proposal must indicate the reasons as to why the requestor believes disclosure of a practice should be designated as a best practice.
3. Upon referral to SLAC, the SLAC Chair will schedule a meeting or meetings of the full SLAC with at least 30 days notice to consider the proposal and he SLAC Chair will provide the requestor’s proposal in the meeting notice. At the meeting or meetings, the SLAC Chair will allow the requestor to present the proposal and will request comments from the member states and the public.
4. Before concluding the full SLAC meeting or meetings in C.3 of this Rule, the SLAC Chair will conduct a vote on whether the SLAC members support the selection of the best practice or practices. Where the proposal includes multiple proposed best practices, the SLAC membership may vote on the practices individually, collectively, or under some other method. However, if a SLAC member requests that a practice be voted on individually, the Chair must conduct such a vote.

~~5.~~—The voting results together with all written comments shall be presented to the Governing Board and placed on the agenda of the Governing Board for either a regular or a special meeting. At least thirty days notice to the member states and the public is required.

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