

STATE NAME: _____

Streamlined Sales Tax Governing Board
Section 328 Taxability Matrix

Effective Date: _____

Completed by: **[query if we should change these to a more generic reference?]**

E-mail address:

Phone number:

Date Submitted:

The Taxability Matrix contains four sections that must be completed: Section A – Administrative Definitions, Section B – Sales Tax Holidays, Section C – Product Definitions and Section D – **Tax Administration** Practices.

Instructions for Sections A, B and C of the Taxability Matrix

Each of the items listed in Sections A, B and C below are defined in the Library of Definitions in the Streamlined Sales and Use Tax Agreement (SSUTA) as amended through May 15, 2014. Refer to Appendix C of the SSUTA for each definition.

Place an “X” in the appropriate column under the heading “Treatment of definition” to indicate the treatment of each definition in your state. If a product definition was not adopted by your state, enter “NA” in the column under the heading “Reference” and indicate in the “Treatment of definition” columns the treatment of the product in your state. In accordance with the SSUTA, your state must adopt the definitions in the Library of Definitions that apply to your state without qualifications, except for those allowed by the SSUTA. For this reason, do not enter any comments or qualifications in the two columns under the heading “Treatment of definition.” If your state has adopted a definition in the Library of Definitions with a qualification not specified in the SSUTA, do not place an “X” in either column under the heading “Treatment of definition” but include a comment in the “Reference” column explaining the qualification. Enter the applicable statute/rule cite in the “Reference” column.

Instructions for Section D of the Taxability Matrix

Section D contains Tax Administration Practices adopted by the Streamlined Sales Tax Governing Board (SSTGB) pursuant to Section 335 of the Streamlined Sales and Use Tax Agreement, as amended through May 15, 2014, (SSUTA) for certain products, procedures, services, or transactions. The **Tax Administration** Practices are broken out into “disclosure practices” and “best practices.” Section D.1 lists “disclosure disclosed practices” and Section D.2 lists “best practices.” **The Tax Administration Practices are not part of the Library of Definitions.**

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

[With regard to Section D.1 pertaining to a Disclosed Practice described in Appendix E of the SSUTA, describe your State’s practice in this area.](#)

With regard to Section D.24 pertaining to a Best Practice, 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 the Best Practice in the References and Comments column.

For each Best 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 provide an explanation as necessary.

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Conformance to a **Best Practice** by a state is voluntary and no state shall be found not in compliance with the Agreement if it does not follow a **Best Practice** adopted by the Governing Board.

~~With regard to Section D.2 pertaining to a Disclosed Practice described in Appendix E of the SSUTA, describe 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 and use tax resulting from the seller or certified service provider relying on erroneous data provided by the member state relative to treatment of the terms defined in the Library of Definitions as reflected in Sections A, B and C and ~~the Administrative Practices indicated in Section D, as pursuant to provided in Section 328.~~

D. 12 Disclosed Practice from Appendix E	Brief Description of Disclosed Practice	Comments and References: Statute, Rule, Cite

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<u>D.2</u> <u>Best Practices from Appendix E</u>	<u>Brief Description of Best-Practice</u>	<u>Does Your State Follow this Best Practice?</u>		<u>Comments [please explain how your state differs if you marked "no"]</u>
		<u>Yes</u>	<u>No</u>	
<u>Vouchers 1.1</u>	<u>The member state administers the difference between the value of a voucher allowed by the seller and the amount the purchaser paid for the voucher as a discount that is not included in the sales price (i.e., same treatment as a seller's in-store coupon), provided the seller is not reimbursed by a third party, in money or otherwise, for some or all of that difference.</u>			
<u>Vouchers 1.2</u>	<u>The member state provides that costs and expenses of the seller are not deductible from the sales price and are included in the measure (sales price) that is subject to tax. Further, reductions in the amount of consideration received by the seller from the third party that issued, marketed, or distributed the vouchers, such as advertising or marketing expenses, are costs or expenses of the seller.</u>			

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