



SST State and Local Advisory Council

Annual Report to the Governing Board October 2016

Steering Committee

Alison Jares
Chair
South Dakota

The State and Local Advisory Council (SLAC) held four in-person meetings during 2016: Little Rock, AR, in March; Providence, RI, in May; Nashville, TN, in August; and Atlanta, GA, in October. The in-person meetings have proven to be invaluable for productive communication and collaboration of ideas.

Christie Comanita
Vice-Chair
Arizona

2016 SLAC Priorities

The 2016 SLAC Priority List was discussed at the executive planning meeting in January. The identified priorities included:

Mike Bailey
GFOA
City of Renton, WA

- Clothing Caps and Threshold Issues
- Post Transactions Disclosed Practices Proposal (continuation from prior years)
- Voluntary Disclosure Agreements and Conflict with SST Registration
- Uniform Limited Authorization Form

Matt Bishop
Iowa

SLAC identified SSUTA compliance issues regarding the clothing caps and thresholds and presented an amendment which the Governing Board adopted at the May meeting in Providence. The adoption of this amendment brings those member states previously out of compliance on this issue back into compliance and provides more flexibility for other states with clothing caps or thresholds to join SST without changes to their state statutes.

Gina Dougherty
Arkansas

Chad Paulson
Minnesota

The Post-transactions workgroup, led by Chad Paulson, MN, continues making progress developing disclosed practices. The disclosed practices being developed are in response to questions brought forward by the business community. SLAC plans to bring disclosed practices to the spring 2017 Governing Board meeting for consideration.

Robert Scott
USCOM
Carrollton, TX

SLAC has implemented the 'SLAC Work Request & Assignment Form'. The work request form clarifies the question or issue being requested of SLAC and the facts surrounding the request. The work request is submitted to the Executive Director for review by the Governing Board or by the SLAC Steering Committee. The Governing Board or SLAC Steering Committee will approve or deny the work request.

One of the first requests using the form was submitted by Scott Peterson, Avalara, regarding Voluntary Disclosure Agreements (VDA) and registration for tax collection. The issue is identifying the earliest each state will allow a seller to register to collect tax without adversely affecting a VDA. The request for review was approved at the May Governing Board Meeting and a workgroup has been formed with Scott Peterson and Matt Bishop, IA, as co-leaders.

Charles Collins, ADP, Jerry Johnson, Tax Cloud, and Scott Peterson, Avalara submitted a request to develop a universal form authorizing SST states to discuss notices or other correspondence that the state has sent to the seller (or CSP) related to the sales and use tax returns that the CSP prepared, filed and made a remittance to the state on behalf of the seller. This request for review was approved at the May Governing Board Meeting and a workgroup has been formed with Scott Peterson and Mike Walsh, NE, as co-leaders.

Ellen Thompson, NE, requests SLAC review what it means to “certify product categories” and clarify the liability relief states are required to give in relation to the certification. The SSUTA and the CSP contracts both refer to certification of product categories and liability relief but some states do not have a clear understanding of what that means. The SLAC Steering Committee accepted the work request recognizing that the Certification Committee had also started work in this area. SLAC will work in partnership with Certification to provide direction to the states and CSPs.

A work request has been submitted by Deborah Bierbaum, AT&T, and Warren Townsend, Walmart, to certify components of third party tax systems and allow sellers who purchase those databases liability relief (similar to §306) for the certified component. No recommendation or action to approve or deny this work request has been made as we continue to discuss the request with BAC and the CSPs. The Steering Committee does think this request should be put on hold at least until the NE request described above is completed. Once that request is completed, SLAC will bring a recommendation for approval or denial of this request to the Governing Board.

I am very grateful for the participants of the State and Local Advisory Council and very thankful for the assistance of the workgroup leaders. Workgroup leaders are:

Fred Nicely and Patrick Reynolds (COST) – Clothing Caps and Thresholds
Chad Paulson (MN) – Post-transactions Issues
Scott Peterson (Avalara) and Matt Bishop (IA) – Voluntary Disclosure Agreements
Scott Peterson (Avalara) and Mike Walsh (NE) – Limited Authorization Form

Thank you to Richard Dobson, Craig Johnson, Christie Comanita, and all the participants of SLAC. Without the knowledge and history that every participant brings we would not be able to make the progress necessary to move forward. I continue to rely on the strength of all the participants in order to keep moving forward.

Respectfully Submitted

Alison Jares
SLAC Chair
South Dakota Department of Revenue