

**A motion by Washington, Oklahoma, Tennessee, and Utah relating to direct mail sourcing:**

**Election for origin-based direct mail sourcing**

- A. Notwithstanding Sections 310, 310.1 and 313, a member state may elect to source the sale of direct mail delivered or distributed from a location within the state and delivered or distributed to a location within the state pursuant to the provisions of this section.
- B. If the purchaser provides the seller with a direct pay permit or an exemption certificate claiming direct mail, the seller is relieved of all obligations to collect, pay, or remit the applicable tax and the purchaser is obligated to pay or remit the applicable tax on a direct pay basis. An exemption certificate claiming direct mail shall remain in effect for all future sales of direct mail by the seller to the purchaser until it is revoked in writing.
- C.
  - 1. Except as provided in (2) of this subsection (C), if the purchaser does not provide the seller with a direct pay permit or an exemption certificate claiming direct mail, the seller shall collect the tax according to Section 310, subsection (A)(5).
  - 2. To the extent the seller knows that a portion of the sale of direct mail will be delivered or distributed to locations in another state, the seller shall collect the tax on that portion according to Section 313.
- D. Nothing in this section limits a purchaser's obligation for sales or use tax to any state to which the direct mail is delivered.
- A. A member state that elects to source the sale of direct mail pursuant to the provisions of this section shall inform the governing board of such election.