

A motion by Utah to amend Section 313 of the SSUTA relating to sourcing direct mail:

Section 313: DIRECT MAIL SOURCING

- A. Notwithstanding Sections 310 and 310.1 , a purchaser of direct mail that is not a holder of a direct pay permit ~~shall~~may provide to the seller in conjunction with the purchase either a Direct Mail Form or information ~~to show~~ showing the jurisdictions to which the direct mail is delivered to recipients.
1. Upon receipt of the Direct Mail Form, 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. A Direct Mail Form shall remain in effect for all future sales of direct mail by the seller to the purchaser until it is revoked in writing.
 2. Upon receipt of information from the purchaser showing the jurisdictions to which the direct mail is delivered to recipients, the seller shall ~~collect the tax~~ source the sale according to the delivery information provided by the purchaser. In the absence of bad faith, the seller is relieved of any further obligation to collect tax on any transaction where the seller has ~~collected tax~~ sourced pursuant to the delivery information provided by the purchaser.
- B. If the purchaser of direct mail does not ~~have~~ provide the seller with a direct pay permit, ~~and does not provide the seller with either~~ a Direct Mail Form or delivery information, ~~as required by~~ under subsection (A) of this section, the seller shall ~~collect the tax~~ source the sale according to Section 310, subsection (A)(5). Nothing in this paragraph shall limit a purchaser's obligation for sales or use tax to any state to which the direct mail is delivered nor limit a purchaser's right to a credit for taxes paid to another jurisdiction.
- C. If a purchaser of direct mail provides the seller with documentation of direct pay authority, the purchaser shall not be required to provide a Direct Mail Form or delivery information to the seller.