

A motion by North Carolina to amend Section 322 of the Agreement to clarify sales tax holiday exemption procedures:

Section 322: Sales Tax Holidays

- A. If a member state allows for temporary exemption periods, commonly referred to as sales tax holidays, the member state shall:
1. Not apply an exemption ~~after December 31, 2004~~, unless the items to be exempted are specifically defined in the Agreement and the exemptions are uniformly applied to state and local sales and use taxes.
 2. Provide notice of the exemption period at least sixty days prior to the first day of the calendar quarter in which the exemption period will begin.
 3. Not apply an entity or use based exemption to items except a member state may limit a product based exemption to items purchased for personal or non-business use.
 4. Not require a seller to obtain an exemption certificate or other certification from a purchaser for items to be exempted during a sales tax holiday.