

A motion by Wisconsin to amend the SSUTA relating to associate states:

Section 704: CONSIDERATION OF PETITIONS

A. A petitioning state that is found to be in compliance pursuant to Section 805 of the Agreement and the changes to their statutes, rules, regulations or other authorities necessary to bring them into compliance are in effect shall be designated a member state.

B. A petitioning state that qualifies for associate membership pursuant to Section 310.1 ~~is found to be in compliance pursuant to Section 805 of the Agreement and the changes to their statutes, rules, regulations or other authorities necessary to bring them into compliance are not in effect, but are scheduled to take effect on or before January 1, 2008,~~ shall be designated an associate member. ~~Provided the statutes, rules, regulations or other authorities remain in effect, and~~ the state ~~shall automatically may~~ become a member state based on that section upon the effective date of the conforming legislation.

C. A ~~petitioning state that~~ petitioning for membership for the first time that fails to receive an affirmative vote of three-fourths of the petitioning states as required under Section 702 may request associate membership. If such a request is made, the petitioning states may grant such membership by majority vote upon a finding that the state has achieved substantial compliance with the terms of the Agreement taken as a whole, but not necessarily each provision as required by Section 805, measured qualitatively, and there is a reasonable expectation that the state will achieve compliance by January 1, 2008 within two years from the date the state petitioned for membership. A state that is granted associate membership by this section shall be required to re-petition for full membership under the requirements of the Agreement.

Section 705: ASSOCIATE MEMBERSHIP

A. An associate member shall have all the rights and privileges of a member state except that:

1. An associate member may not vote on amendments to or interpretations of the Agreement when the provisions of Section 701 have been met without the use of associate members; and
2. An associate member may not vote to determine if a petitioning state is in compliance with the Agreement pursuant to Section 804 of the Agreement.
3. A representative of an associate member state shall not be eligible to serve on the compliance review and interpretations committee.

B. ~~A state which is an associate member on January 1, 2007, shall retain such status until the governing board finds such state to be in compliance pursuant to Section 805 or July 1, 2009, whichever is earlier.~~ Any such associate member ~~that has not been found in~~ failing to come into compliance as specified by the Agreement by July 1, 2009 shall automatically forfeit its status as an associate member the day after it failed to meet the compliance date. The Executive Director ~~president~~ of the governing board shall provide an associate member state and post on the Governing Board's website with the reasons why such state is ~~not in compliance with the no longer compliant with the~~ Agreement. Forfeiture of its status as an associate member does not preclude a state from re-petitioning for membership pursuant to Section 801.

C. Notwithstanding any provision of this Agreement to the contrary, a seller may, but is not required to collect sales or use tax on sales into an associate member state unless the seller is otherwise required to collect such taxes under applicable law. Notwithstanding the provisions of Section 401 (B), a seller that volunteers to collect tax in an associate member state is not required to collect tax in any other associate member state. An associate member shall be responsible for payment of costs as provided in Article VI for those sellers that volunteer to collect tax in an associate member state.

D. Neither the governing board nor a member state may share or grant access to an associate member state any seller information from the seller's registration pursuant to Section 401. Neither the governing board nor a member state may share or grant access to an associate member state any seller information from an audit conducted by the governing board or a member state on behalf of the governing board unless the associate member state is a party to the audit.

E. An associate member shall be responsible for the payment of the petition fee and the annual cost allocation as determined by the Streamlined Sales Tax Implementing States or governing board.

F. An associate member state shall provide amnesty pursuant to the provisions of Section 402, provided, the amnesty shall be in effect from the date the associate member status is attained until 12 months after the associate member state becomes a full member state.

Section 801: ENTRY INTO AGREEMENT

A. After the effective date of the Agreement, a state may apply to become a party to the Agreement by submitting a petition for membership and certificate of compliance to the governing board. The petition for membership shall include such state's proposed date of entry. The petitioning state's proposed date of entry shall be on the first day of a calendar quarter. The proposed date of entry shall be a date on which all provisions necessary for the state to be in compliance with the Agreement are in place and effective.

B. The petitioning state shall provide a copy of its petition for membership and the certificate of compliance to each member state when the petitioning state submits its petition for membership to the governing board. A petitioning state shall also post a copy of its petition for membership and certificate of compliance on that state's web site.

C. A state that petitions for membership after January 1, 2007, that is found to be in compliance pursuant to Sections 804 and 805 of the Agreement except that the changes to their statutes, rules, regulations or other authorities necessary to bring them into compliance are not yet in effect, shall be designated an associate member effective on the first day of the calendar quarter that is not more than twelve months before its proposed date of entry as a member state. ~~Such twelve month period may be extended to eighteen months if the governing board, by unanimous vote approves such extension. Such extension shall be granted only if the petitioning state can present adequate justification of the necessity for the future effective date and that the application~~

~~of the future effective date beyond twelve months is limited to the provisions of the law for which such necessity is demonstrated. Such~~

~~D. All member and associate member states shall be subject to the annual recertification requirement set forth in Section 803 of this Agreement for all issues other than the delayed effective date issues identified at the time the state becomes an associate member. Extensions of effective date delays beyond those identified at the time the state becomes an associate member shall require the state to submit a statement of non-compliance pursuant to Section 803. Provided the statutes, rules, regulations or other authorities remain in effect, the state shall automatically become a member state on the state's proposed date of entry.~~

~~D. A state which becomes an associate member after January 1, 2007 shall forfeit its status as an associate member on the date provided for compliance pursuant to subsection C of this section, if the state's laws are not in compliance at that time. A state that forfeits its status as an associate member because it has extended its effective date for required law changes beyond the date set forth in its petition for membership may not file another petition for membership for a period of twelve months after such state forfeits its status as an associate member.~~