

Washington, North Dakota, Wisconsin, Kentucky, Utah, and Oklahoma moved an amendment to Section 323 of the SSUTA relating to essential clothing:

Section 323: CAPS AND THRESHOLDS

- A. No member state may have caps or thresholds on the application of state sales or use tax rates or exemptions that are based on the value of the transaction or item or have caps that are based on the application of the rates unless the member state assumes the administrative responsibility in a manner that places no additional burden on the retailer.
- B. No member state that has local jurisdictions that levy a sales or use tax may place caps or thresholds on the application of local rates or use tax rates or exemptions that are based on the value of the transaction or item.
- C. The provisions of this section do not apply to sales or use taxes levied on the retail sale or transfer of motor vehicles, aircraft, watercraft, modular homes, manufactured homes, or mobile homes or to instances where the burden of administration has been shifted from the retailer.
- D. ~~For states that have a cap or threshold on clothing before January 1, 2006 the~~ The provisions of this section do not apply to sales or use tax thresholds for exemptions that are based on the value of “essential clothing” except as provided in the Library of Definitions.