

A motion by Washington to amend Section 335 of the SSUTA as follows:

Section 335: ~~BEST PRACTICES~~ Tax Administration Practices

~~A. For purposes of this section, “best practices” shall mean those practices as adopted by the governing board as the best practices in administration of the sales and use taxes in the member states regarding certain identified products, procedures, services, or transactions.~~

A. For purposes of this section, tax administration practices shall consist of disclosed practices and best practices as defined in this paragraph:

1. Disclosed practices: those tax administrative practices which the Governing Board selected and requires each member states to disclose pursuant to paragraph B of this section; and

2. Best practices: those disclosed practices selected by the governing board as best practices pursuant to paragraph C of this section.

A. The process by which the governing board will select a disclosed practice under this Section shall be as follows:

1. A majority vote of the entire governing board is required to approve a motion to ~~select~~ ~~adopt~~ a best disclosed practice. ~~s standard.~~

2. The governing board shall provide public notice and opportunity for comment prior to voting on a motion to approve selection of ~~adopt~~ a disclosed best practice.

3. The procedures for selecting a disclosed practice shall be applied consistent with guidelines set forth in Governing Board Rule 335.

B. The process by which the governing board will select a best practice under this Section shall be as follows:

1. A state or a person may petition the governing board to select a best practice from among the disclosed practices identified under paragraph B of this Section.

2. A three-fourths vote of the entire governing board is required to approve a motion to select a best practice. Best practices not receiving the required three-fourths vote of the entire governing board will remain as disclosed practices.

3. The governing board shall provide public notice and opportunity for comment prior to voting on a motion to approve selection of a best practice.

4. The procedure for selecting a Best practice shall be applied consistent with guidelines set forth in Governing Board Rule 335.

C. ~~Best Tax administration~~ practices ~~adopted by the governing board~~ shall be maintained in an Appendix to the Agreement.

A.D. No member state Conformance by member states to best practices by the governing board shall be voluntary and no state shall be found not in compliance with the Agreement because the effect of the state's laws, rules, regulations, and policies do not follow a each of the tax administration practice_s adopted by the governing board. Tax administration practices are voluntary, h However, all member states are encouraged to follow the best practices as much as possible.

E. States must complete the ~~best~~ tax administration practices section of the taxability matrix by the first day of the calendar month that is at least 30 days after the date the governing board ~~selects~~ approves a best disclosed practice and submit it to the Executive Director for posting on the governing board's website. ~~For subsequent best disclosed practices that are selected approved by the governing board, the states must update their tax administration practice matrix by the first day of the calendar month that is at least 30 days after the date the governing board approves a new best disclosed practice and submit it to the Executive Director for posting on the governing board's website.~~

F. Alternative 1: The Streamlined Executive Director shall have authority to add a best practice designation to each member state's taxability matrix after the date the governing board selects a disclosed practice as a best practice. A "best practice" must be added to the taxability matrix the first day of the calendar month that is at least 30 days after the date the governing board approves a motion to select a best practice.

Alternative 2

States must disclose whether they follow a Best Practice on the taxability matrix the first day of the calendar month that is at least 30 days after the date the governing board approves a motion to select a best practice.

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B.G. Effective October 9, 2014, the Governing Board may remove, amend, or otherwise modify a disclosed practice or best practice using the same procedures set forth paragraph B and C of this section and Governing Board Rule 335.