

Report of the 2012 Streamlined Sales and Use Tax Agreement (SSUTA) amendments

This document contains the amendments and rules related thereto adopted by the Streamlined Sales Tax Governing Board during 2012. While some amendments include a specific future effective date, most are adopted without a specific effective date. Absent a specific effective date, the date by which a state must adapt to an amendment is the date upon which a state may be sanctioned. Pursuant to Section of 809 of the SSUTA, a state may not be sanctioned for failure to comply with the amendments and rules “until the later of the first day of January at least two years after the adoption of the amendment ... or the first day of a calendar quarter following the end of one full session of the state’s legislature.”

Section 310.1: ELECTION FOR ORIGIN-BASED SOURCING

This section was amended by repealing paragraph D, which read as follows:

D. Compliance with the provisions of this section shall satisfy a state’s eligibility for membership in this Agreement as follows:

1. If a state is in substantial compliance with each of the provisions of this Agreement other than sourcing of sales of tangible personal property and digital goods as provided in Section 310 and elects to source sales of tangible personal property and digital goods pursuant to this section, such state may become an associate member state in the same manner as provided for states to become full member states pursuant to Article VIII of this Agreement.
2. A state which becomes an associate member state pursuant to this subsection shall automatically become a full member state, provided that at least five (5) states which are not full member states on December 31, 2007, have been found to be in substantial compliance with each of the provisions of the Agreement other than sourcing sales of tangible personal property and digital goods pursuant to Section 310 of the Agreement and have notified the governing board of an election pursuant to paragraph 8 of subsection C of this section to source sales pursuant to this section and have been found to be in substantial compliance with the provisions of this section.
3. The provisions of this section shall be fully effective for all purposes on or after January 1, 2010.

Section 812: LOCAL ADVISORY COUNCIL (New section)

The governing board shall create a Local Government Advisory Council to advise the governing board on matters related to the administration of the agreement, if the issue specifically relates to local governments. These matters shall include, but are not limited to, interpretations, revisions or additions to the Agreement.

RULES

Rule 806.1.2 - Finance Administration Policies

J. Travel Guidelines and Reimbursements

1. The Finance Committee shall establish a travel request form that will include estimated costs of proposed travel as well as a travel reimbursement form on which claims for reimbursement are made.

2. Reimbursement for travel by Governing Board representatives may be authorized under the following conditions. No reimbursement from the Governing Board will be authorized unless the travel has been pre-approved.

The President or First Vice President may approve Governing Board representative travel in the following circumstances.

a. The representative is representing the Governing Board, rather than his or her respective state, at a meeting or event that is not a meeting of the Governing Board or a Governing Board committee.

b. The representative is representing the Governing Board, rather than his or her respective state, at a meeting of a Governing Board Committee for which the representative is not a member of the Committee.

c. Such reimbursement shall only be allowed in instances where the meeting or event is not being held in conjunction with another Governing Board meeting or event at which the representative may attend and represent his or her state.

d. Notwithstanding the foregoing, the President or First Vice President may approve representative travel in the interest of justice in exceptional circumstances.

Neither the President nor First Vice President may approve a request for his or her own travel. In approving a request for reimbursement, consideration shall be given to funds available and budgeted for this purpose.

3. Travel reimbursements will be based on the Federal mileage and per diem rates as published by the U.S. General Services Administration in effect during the period of travel. If anticipated expenses exceed the federal rate, the traveler may request in writing pre-authorization for reimbursement based on actual expenses. The request must include a justification for exceeding the Federal per diem lodging allowance such as:

a. Lodging and/or meals are procured at a prearranged place such as a hotel where a meeting, conference or training session is held;

b. Costs have escalated because of special events (e.g. missile launching periods, sporting events, World's Fair, conventions, natural disasters); lodging and meal expenses within prescribed allowances cannot be obtained nearby; and costs to commute to/from the nearby location consume most or all of the savings achieved from occupying less expensive lodging;

c. Because of mission requirements; or

d. Any other reason approved by the proper authority.

4. Reimbursement of Actual Expenses

a. The approved request will be attached to the traveler's reimbursement voucher. In the case of emergency circumstances in which advance approval could not be obtained, the traveler must attach a signed statement to the voucher detailing the justification and circumstances prohibiting advance approval.

b. The traveler must itemize all expenses, including meals, (each meal must be itemized separately) for which he or she will be reimbursed under actual expense. However, expenses that do not accrue daily (e.g. laundry, dry cleaning, etc.) may be averaged over the number of days for which the traveler is approved reimbursement for actual expenses. Receipts are required for lodging, regardless of amount and any individual meal when the cost exceeds \$25.00. The approver may require receipts for other allowable per diem expenses, but must

inform the traveler of this requirement in advance of travel. The approval for reimbursement based on actual expense may limit meal and incidental expenses (M&IE) reimbursement to either the prescribed maximum M&IE rate for the locality concerned or a reduced M&IE rate, and it may or may not require M&IE itemization at the approver's discretion.

5. All travel reimbursement requests will be submitted to the Executive Director for approval, and copies will be forwarded to either the President or the Secretary/Treasurer for inspection. The President or Secretary/Treasurer shall approve travel reimbursement for the Executive Director.

6. The Executive Director is authorized to travel to all Governing Board meetings (including committee meetings) without pre-approval. Whenever the Executive Director is representing the Governing Board at other meetings, he or she shall first receive approval from the President or First Vice-President. The Executive Director shall approve necessary travel for employees of the Governing Board.

7. Requests for travel approvals and signed authorizations may be submitted and returned via facsimile or via email, if the approver uses his or her own email account to establish authenticity of the approval.

8. In addition to the travel reimbursements authorized by J 2, the Governing Board may reimburse the travel and meeting expenses for one legislative delegate from each state to attend one Governing Board meeting a year ~~annual meetings~~.

Rule 812.2 – LAC Membership, Officers and Steering Committee Membership (New rule)

A. Membership

1. The local government associations recognized in governing board Rule 810.2 will each be a member of the LAC. Each participating association shall designate (3) representatives who are members and/or employees of those organizations (or state associations thereof) and will participate in decision making process of the LAC. While the LAC will work mostly through consensus when bringing forward their positions to the governing board and State and Local Advisory Council, if a vote is needed by the LAC, each organization will have one vote.

2. The local associations recognized in governing board rule 810.2 support the mission of the Streamlined Sales Tax Governing Board and have committed to participate in the Streamlined Sales Governing Board.

3. The LAC may allow associate members to be part of the council. Associate members can be those from or representing local governments.

B. Communicating with the Governing Board and SLAC

1. The LAC will, upon request, review and provide information to the governing board and SLAC regarding the impact on local governments related to any particular issue before those bodies.

2. If there is a specific issue that has arisen or is before the SLAC or governing board where local governments have a particular concern, they will provide these comments to the appropriate body in writing.

3. The purpose of the LAC is not to submit comments or feedback on every issue before the SLAC or governing board, but to provide input and comment only on issues where there is an unique impact on local governments.

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C. Involvement with SLAC and GB

According to the SSUTA and its rules, local government representation on the SLAC, and serving as an ex-officio member of the Governing Board, remains intact.

D. Meetings.

The LAC will hold periodic conference calls and physical meetings (in conjunction with otherwise set SLAC and governing board meetings), where LAC members and associate members can participate. The LAC will provide information about these calls and meetings to the governing board staff for posting on the governing board web site, including information about how to participate on the calls and meetings.

E. LAC Resource

The LAC will not impose on the governing board staff, except for posting meeting notices, other information, and asking for input regarding governing board technical issues.

BY-LAWS

Article Eight – Advisory Councils and Public Participation

C. Local Advisory Council. (New by-law)

Section 1. Purpose. The Governing Board shall recognize a Local Advisory Council to advise it on matters pertaining to the administration of the Agreement, including but not limited to, interpretations and revision or additions to the Agreement. The Governing Board and its committees shall solicit and consider Council positions on these matters. The Council also provides a forum for the local governments to express its ideas and concerns and to have a formal process to bring those concerns to the Governing Board.

Section 2. Membership. The Council membership shall be established by Governing Board rule. The Council shall not prohibit the admittance of any person or persons on the basis of race, religious creed, color, national origin, ancestry, sexual orientation or sex.

Section 3. Rules of Operation and Organizational Structure. The Council shall adopt Bylaws and Rules of Procedure that shall include establishment of a Board of Directors, and may include committees or workgroups, decision-making processes and setting the council agenda. The Board of Directors of the Council shall be representative of the diversity of its membership.

Section 4. Officers. The Board of Directors of the Council, in accordance with its Bylaws, will appoint such officers as it deems necessary to carry out its functions.

Section 5. Agenda Setting. The Local Advisory Council will consider and respond to those matters referred to it from the Governing Board and its committees. In addition, the Council may recommend items to the Governing Board for consideration and response. The Governing Board shall give due consideration to the positions of the Council.

Section 6. Relationship to State and Local Advisory Council and Business Advisory Council. The Local Advisory Council shall seek the advice of and respond to the State and Local Advisory Council and the Business Advisory Council on any item pertaining to the business

community or tax administration prior to formulating a recommendation to the Governing Board or its committees.

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