Section 307: DATABASE REQUIREMENTS AND EXCEPTIONS

A. The electronic databases provided for in Section 305, subsections (D), (E), (F), and (G) shall be in a downloadable format approved by the governing board. The databases may be directly provided by the state or provided by a vendor as designated by the state. A database provided by a vendor as designated by a state shall be applicable to and subject to all provisions of Sections 305, 306 and this section. These databases must be provided at no cost to the user of the database.

B. The provisions of Section 305, subsections (F) and (G) do not apply when the purchased product is received by the purchaser at the business location of the seller.

C. The databases provided by Section 305, subsections (D), (E), (F), and (G) are not a requirement of a state prior to entering into the Agreement. A seller that did not have a requirement to register in a state prior to registering pursuant to this Agreement or a CSP shall not be required to collect sales or use taxes for a state until the first day of the calendar quarter commencing more than sixty days after the state has provided the databases required by Section 305, subsections (D), (E), and (F). Provided, for the initial implementation of the Agreement pursuant to Section 701, a CSP shall be required to collect sales or use taxes for each member state, subject to the provisions of Section 705, pursuant to the terms of the operating agreement entered into between the CSP and the governing board in order to provide adequate time for testing and loading of the databases.

Compiler’s note: On October 1, 2005 the following amendments were made to Section 307:

Section 307 (A) was amended by adding the last three sentences.

Section 307 (C) was amended by adding “and (G)” after “(F),” deleting the second sentence (The governing board shall establish the effective dates for availability and use of the databases.) and adding the last two sentences.

The amendment to this section became effective upon adoption.