



100 Majestic Drive, Suite 400 • Westby, WI 54667

State and Local Advisory Council Request and Assignment Form

Provide the name(s) and contact information of the state or parties submitting the Request.

Date: 3/17/2025

Name of State or Person(s) submitting request: Tim Jennrich (WA) in conjunction with the MTC Digital Goods workgroup

Contact Person: Alison Jares – Craig Johnson (SST)

Address:

Phone: 605-779-7702

Email: alison.jares@sstgb.org

1. Agreement Section(s), Rules or Tax Administration Practice(s) involved (if any). (Identify the section(s) of the Streamlined Sales and Use Tax Agreement, the Streamlined Rules, or Tax Administration Practices, if any, which are affected or involved with the issue.)

Section 327 – Library of Definitions; Section 332 and 333 Specified Digital Products; and Appendix C – Library of Definition

2. Question, Issue, or Topic for discussion. (Identify the question, issue, or topic you believe requires a study or resolution by SLAC.)

The purpose of the request is to have SST develop additional definitions related to digital goods and products transferred or delivered electronically. Because many states already have tax systems that impose tax on digital products in different ways, the intent of this request is to develop voluntary definitions that member states can consider for adoption when they are updating their tax laws.

3. Statement of Background Facts. (Provide a detailed description of the issue and supporting facts. Please be as descriptive as possible and provide examples of actual transactions.)

The MTC Uniformity Committee initiated the “Sales Tax on Digital Products” project. The purpose of the project is to draft a white paper on state sales taxation of digital products. A joint resolution between MTC and SST was adopted supporting both organizations’ efforts to promote uniformity in the taxation of digital products and to encourage participants in either of the organizations to participate in both organizations’ efforts.

MTC and SST recognize that creating uniform definitions for states to adopt reduces tax administration burdens for both sellers and states and creates additional certainty and clarity. The MTC workgroup is developing a broad definition(s) of “digital goods”. SST has been asked to develop additional specific definitions of “digital goods” that may be used in conjunction with the SST specified digital goods definitions already in the SSUTA. Under SST, states may choose to tax or exempt any other products transferred electronically, but there are currently no other uniform definitions states can pick from related to digital goods and other products transferred electronically.

Additionally, in a previous Streamlined annual planning session, as part of long-term planning, the organization indicated that the development of voluntary definitions should be considered as a way to continue to support Streamlined’s fundamental purpose to simplify and modernize sales and use tax administration in the member states in order to substantially reduce the burden of tax compliance.

4. Proposed Resolution/Outcome/Solution. (Provide a description of the anticipated outcome from the workgroup. For example: Development of an interpretive rule pertaining to Section XXX of the Agreement.)

The proposed outcome is that SST will develop and adopt additional voluntary definitions of digital products including digital goods and other products transferred electronically so that states can use these definitions to uniformly and clearly impose or exempt these products from taxation. The first step in this process may be to confirm with the states (SST and non-SST states) what definitions they may have already developed beyond the specified digital goods contained in the SSUTA.

Terms to consider defining include: Software as a Services (SaaS), cloud computing, information services and research services. Some of these items may actually be “services” that are transferred electronically so consistency and certainty with how these are defined could be very useful to the states and business community.

Submit completed form to:

Craig Johnson, Executive Director
Streamlined Sales Tax Governing Board
100 Majestic Dr., Suite 400
Westby, WI 54667

Email: Craig.Johnson@SSTGB.org
Phone: 608-634-6160
www.streamlinedsalestax.org

For SST Governing Board Use

Approved by: **Date:**

Approved with Modifications (If the Governing Board determines the request will be addressed by SLAC but in a modified format, explain the modifications to the request here):

Denied by: **Date:**

Form F0021 Instructions

The scope of work for the State and Local Advisory Council (SLAC) is to advise the Governing Board on matters pertaining to the administration of the Streamlined Sales and Use Tax Agreement (Agreement). Matters relating to noncompliance of members with the Agreement, interpretive rules clarifying Agreement language, and revisions or additions to the Agreement are all within the scope of a SLAC work assignment. This form, as submitted by a requestor, is a public document and shall be published on the Streamlined Governing Board’s website.

Any state and person making a request for a SLAC work assignment must do so by completing the **SLAC REQUEST & ASSIGNMENT FORM** and submitting it to the Executive Director of the Streamlined Sales Tax Governing Board. The Governing Board will take up the request at its next scheduled meeting or as applicable the SLAC Chair will take up the request at the next SLAC Steering Committee meeting. Any decision by the SLAC Steering Committee shall be reported to the Governing Board at its next meeting. In the interim, a request approved by the SLAC Steering Committee can be assigned to a SLAC workgroup. The Governing Board may approve, deny or modify the request at any time.

The Governing Board is not required to use this form to refer matters to SLAC. If the Governing Board refers an item to SLAC without use of this form, the Governing Board should provide written guidance to the SLAC Chair as to the expectations regarding the assigned task.

(Note: States or other persons requesting an interpretive opinion of existing Agreement provisions or definitions should not use this form but should instead complete and submit the **INTERPRETATION/ DEFINITION REQUEST** form.)