Rule 402.1 – Streamlined Sales Tax Voluntary Disclosure Program for Remote Sellers

A. **Purpose** – this rule describes the procedures for qualified remote sellers, Streamlined Sales Tax Governing Board Staff (SSTGB Staff), and participating states to follow for administration of the Streamlined Sales Tax Voluntary Disclosure Program as provided in Section 402.1 of the Streamlined Sales and Use Tax Agreement (SSUTA).

B. For purposes of this rule, the Streamlined Sales Tax Voluntary Disclosure Program for Remote Sellers will be referred to as the **SSTVD**.

C. A **qualified remote seller** is a seller who meets all criteria outlined in Section 402.1.B. of the SSUTA.

D. Qualified remote seller SSTVD application requirements.

1. Remote sellers must meet the requirements of Section 402.1.B. to be a "qualified remote seller" eligible to apply for the SSTVD. Qualification is considered on a state-by-state basis by the participating states.
2. Remote sellers must submit a completed SSTVD application to the SSTGB Staff certifying they are a qualified remote seller. The application must indicate all participating states the seller is requesting to participate with in the SSTVD.
3. A remote seller that is registered in a participating state, prior to submitting the SSTVD application, is not a "qualified remote seller".
   i. *Exception:* a remote seller, not already registered for sales and use tax collection in a state, that registers in the SST Registration System on or after the date the Governing Board approves the initial SSTVD and before the effective date of the initial SSTVD is eligible to apply for the SSTVD. The remote seller must submit the SSTVD application no later than 10 business days after the effective date of the initial SSTVD.
   Example of the Exception: The Governing Board approves the SSTVD during a meeting on August 5th with the SSTVD program starting on December 1st. A remote seller registers in the SST Registration System on September 2nd. This remote seller meets all requirements to be a qualified remote seller except they registered prior to submitting the SSTVD application. This seller can qualify for the SSTVD as long as they submit the SSTVD application no later than December 14th.
4. SSTVD applications must be submitted no later than:
   i. 12 months after the initial SSTVD effective date; or
   ii. If the initial SSTVD is extended, within 36 months when the seller meets the participating state's economic nexus threshold.
   Example 1: The initial SSTVD was set to end on December 31, 2027, but was extended with a new ending date of December 31, 2028. A remote

seller did not participate in the initial SSTVD. In February of 2028, the remote seller decides to submit a SSTVD application. In August 2025 the seller met the economic nexus threshold in three participating states. The seller is eligible to apply for the SSTVD in these three states no later than July 31, 2028.

Example 2: The initial SSTVD was set to end on December 31, 2027, but was extended with a new ending date of December 31, 2028. A remote seller did not participate in the initial SSTVD. In July of 2028, the remote seller decides to submit a SSTVD application. The seller met the economic nexus threshold in March of 2024 for State G and in October of 2025 for States H and J. The seller is ineligible to apply for the SSTVD in state G because the seller met that state's economic nexus threshold more than 36 months ago. The seller is eligible to apply for the SSTVD in states H and J no later than August 30, 2028.

E. A **participating state** is any contingent member, associate member, or full member state participating in the SSTVD.

F. State participation requirements.

1. Any state that joins SST as a full member state on or after the effective date of the initial SSTVD must participate in the program for a minimum of 12 months. The required 12-month participation includes the period of time the state offered the SSTVD as an associate or contingent member state.
2. Every contingent member and associate member state is required to participate in the SSTVD program. Contingent and associate member states are required to continue offering the SSTVD program even if the program is sunset.
3. Every full member state must notify the SSTGB Executive Director no later than 30 days prior to the effective date of the initial SSTVD if the state will or will not participate in the SSTVD. Notification must be in writing (email is recognized as notification in writing).
   i. Any full member state that does not notify the SSTGB Executive Director about participating in the SSTVD will be assumed not to be participating.
4. Full member state participation is allowed after the initial SSTVD program begins if the state:
   i. Notifies the Executive Director in writing no later than 30 days prior to the state's selected start date;
   ii. Has a start date that is the first day of a calendar month; and
   iii. Offers the SSTVD for a minimum of 12 continuous months, regardless of any end date of the SSTVD program established by the Governing Board.

   Example: The Governing Board approves the SSTVD program to begin on

January 1, 2027. State X did not participate in the SSTVD at that time. On March 23, 2027, state X notifies the Executive Director they wish to participate. State X can start to offer the SSTVD effective May 1, 2027, and must offer the SSTVD from May 1, 2027, through April 30, 2028.

G. SSTGB staff responsibilities.

1. A webpage dedicated to the SSTVD program will be maintained on the SST website and will include:
   - i. The SSTVD application.
   - ii. Each participating state's SSTVD effective start and any applicable end date.
   - iii. Each participating state's SSTVD lookback period. The lookback period is presumed to be 24 months unless a state is required by its laws to have a longer lookback period.
   - iv. Tax types in addition to the state and local sales and use tax, that each participating state elects to allow in their SSTVD.
   - v. The penalties and fees each state cannot waive.
   - vi. Additional useful information for remote sellers.
2. SSTVD application review.
   - i. Within 1 business day of receiving the application, an acknowledgement will be sent to the original sender. Acknowledgement of receipt of the application is not approval for SSTVD participation.
   - ii. Staff will review the application for completeness following Section 402.1 of the SSUTA and this Rule. Within 10 business days of receipt of the application, SSTGB staff will:
     1. Notify the sender of any questions about the application, or
     2. Prepare and send the SSTVD contracts to the applicant, or
     3. Notify the applicant they do not qualify for the SSTVD, including the reason they do not qualify.
3. SSTVD Contract creation.
   - i. SSTVD contracts will be prepared for each state the qualified remote seller requested to participate in.
   - ii. The lookback period is the 24-month period immediately prior to the date the seller registers in the SST Registration System. The registration date is included in the SSTVD application and is the same date for all states the seller requested to participate in.

     Exception: if a participating state's laws require a longer lookback period that period will apply for that state.

     Example: State B is participating in the SSTVD. State B's statutes require *voluntary disclosure agreements to be for a minimum of 36 months. State B's lookback period for each qualified remote seller will be for the 36-month period immediately prior to the first day of the seller's SST Registration.*

iii. If the seller did not meet a participating state's economic nexus threshold for the entire 24-month lookback period, the lookback period will only include those months the seller met the requirements.

Example: A remote seller applies for the SSTVD in states D, E, and F. The seller's 24-month lookback period is April 1, 2025, through March 31, 2027. But the seller did not establish economic nexus in state E until December of 2025. The lookback period for state E is set for December 1, 2025, through March 31, 2027.

H. SSTVD contract.

1. Qualified remote sellers must:
   - i. Sign and return all contracts they wish to participate in the SSTVD with, within 30 calendar days of SSTGB sending the contracts;
   - ii. Include with the signed contracts the returns or filing information for at least one of the participating states; and
   - iii. Register through the SSTRS when they return the signed contracts. The effective registration date must be the first day of a calendar month that is the day after the end of the last reporting period covered by the contract.

     Example: A qualified remote seller returns SSTVD contracts to SSTGB Staff on January 15, 2027. The remote seller completes the SST Registration that same day with a registration effective date of February 1, 2027. The SSTVD lookback period will be February 1, 2025, through January 31, 2027.
2. SSTGB staff will send the signed contracts and the SSTVD application to each of the applicable participating states.
3. Participating states must:
   - i. Sign and email a copy of the signed SSTVD contract back to the seller and copy the SSTGB staff within 30 calendar days; or
   - ii. Notify the seller and SSTGB staff by email that the seller does not qualify for the SSTVD program, including the reason the seller does not qualify.

I. Returns and/or filing information.

1. Each participating state's required procedure for submitting returns and/or filing information will be provided on the SSTVD webpage.

2. Qualified remote sellers must submit the state required returns and/or filing information for each state within 12 months of receiving the signed SSTVD Contracts from the Governing Board.
3. Returns and/or filing information are to be submitted directly to each state the qualified remote seller is participating in the SSTVD with. This does not include the first returns and/or filing information that is submitted with the SSTVD Contract.
4. Participating states have 30 calendar days after receiving returns and/or filing information to:
    i. Notify the seller of the total amount due and arrange for payment directly to the state; or
    ii. Contact the seller with questions on the returns and filing information.

J. SSTVD payment.

1. All payments are made directly to the participating states within 30 days' notice from the state.
2. States are allowed, but not required, to enter into payment agreements for greater than 30 days. These agreements are between the qualified remote seller and the participating state.

K. SSTVD sunset or extension.

1. The initial SSTVD sunsets 12 months after the effective date unless the Governing Board votes to extend the SSTVD.
2. If the Governing Board votes to extend the SSTVD:
    i. All full member participating states must notify the Executive Director in writing if they intend to continue participating in the extended SSTVD within 30 days of the extension period.
    ii. Participating states that fail to respond to the extension period will be presumed to no longer continue their participation in the extended SSTVD.
    iii. Any participating member state that has offered the SSTVD for at least 12 continuous months can end their participation during the extended SSTVD period, but the end date must be on the last day of a calendar month with at least 30 days' notice to the Executive Director.

L. SSTVD information sharing.

1. Participating states will only receive SSTVD contracts, returns and filing information specific to their state.
2. All participating states will be provided with application information of all sellers submitting applications. This information may not be shared with any states that

are not part of the SSTVD. The application information shared will only be from applications received during the period that a state is participating in the SSTVD.

M. Statistical data collection.

1. SSTGB staff will maintain statistics reflecting the success of the program.
2. All statistics maintained will be in aggregate form and will not include any seller specific or state specific information.
3. Participating states will periodically provide aggregated data information for this purpose.