



Streamlined Sales Tax Executive Committee Meeting Minutes
Friday, December 12, 2025, 10:45 am central
Teleconference

Call to Order and Roll Call

President Kennedy called the meeting to order at approximately 10:45 am central. The roll of the Committee was called. Present were Brian Kennedy (RI), Lance Wilkinson (MI), Mike Walsh (NE), Senator Tim Reed (SD), Nate Weber (WI), Richard Dobson (KY), Andrew Furuseth (NC), and Senator Ann Rest (MN). Absent was Senator Brad Bekkedahl (ND) and Representative Adam Smith (KS). With eight out of ten members present, the quorum was established.

Report on Closed session

President Kennedy provided a report on the closed session where they discussed the current CSP contract, the KDCR contract and personnel issues.

Review and approve minutes from October 7, 2025 Executive Committee Meeting EM25005

President Kennedy stated the minutes were posted to the website. No comments were received. Nate Weber motioned to approve EM25005. A voice vote was taken and was unanimous. Motion carried.

Committee Reports

Finance Committee - Richard Dobson (KY)

Richard Dobson reviewed the 1st quarter financial report, FC25008 highlighting the major budgetary expenses such as travel, registration and federal affairs. We received \$18k in interest this quarter. He noted a change of \$4,000 on the summary page that will be adjusted in the final report. Richard Dobson motioned to accept FC25008 as amended as noted. A voice vote was taken and was unanimous. Motion carried.

Richard stated we reviewed Form 990 this morning in the Finance Committee meeting. The form is complete, and a motion was unanimous to approve Craig to file the form.

Elimination of the Penny Update

President Kennedy stated we have discussed this issue for some time now. We have worked in conjunction with NCSL, FTA and others. NCSL adopted a policy paper at its November meeting and Craig shared the paper with the group.

Some key takeaways are that the federal government did not enact uniform rounding rules, and no model legislation has been developed. The question remains whether SST develop rounding rules for SST states to consider. Few states have put out guidelines as of today and the issue is



much broader than sales tax as it also impacts SNAP benefits, consumer protection laws, income tax laws, etc.

President Kennedy asked if Craig should draft another article for SST to consider at next week's Governing Board meeting that only addresses sales tax calculation with the rounding being done at the very end of the transaction, that it only applies when cash is the payment method and not explain how to round?

Richard stated we should use the materials Craig has provided and ideally we would be able to make a recommendation that the rounding does not impact the sales tax calculation and any necessary rounding to the nearest nickel on cash transactions be done at the very end of the transaction. He thinks it is good to come out with some type of guidance and as an organization we shouldn't be silent on this issue.

Nate Weber stated we shouldn't tell retailers what they can or can't do outside of sales tax. There are a few states that have put out guidance. The question is whether SST should just provide links on the SST website with the individual state's information instead of coming up with our own guidance? Craig indicated ideally all our member states come to general agreement that the penny shortages and rounding do not impact the sales tax calculation and we recommend that symmetrical rounding be used at the very end of the transaction.

Bret Fanning stated a few weeks ago he was asked about this in a legislative committee meeting. They had a legislator say she would propose legislation in Wyoming and was asking what the best way was to do it. Should we go with Streamlined and Utah's model using symmetrical rounding? Are there any other thoughts and suggestions?

Craig stated his opinion was that we should provide guidance on how to round and that should be symmetrical rounding. Overall that is the fairest to both the businesses and the consumers and theoretically should end up as a wash. There have been some estimates mentioned in various articles such as one which indicated that Kwik Trip in Wisconsin is rounding down only and they have estimated it could cost around \$3 million per year. Another business estimated it could cost them \$30 million. Telling businesses they must always round down makes him very concerned from the business perspective just like telling businesses they must always round up is concerning from the consumer perspective. The overall fairest method is to round up or down to the nickel using symmetrical rounding (.01, .02, .06 and .07 should be rounded



down to the nearest nickel while .03, .04, .08 and .09 should be rounded up to the nearest nickel). Canada did this when they eliminated the nickel and that seemed to work.

Andrew Furuseth stated he likes Nate's idea of also compiling the guidance that is out there. He has a strong opinion as a tax administrator that it isn't his responsibility to tell businesses how to deal with this, only what to do with the tax after.

President Kennedy stated he was involved in a call with Treasury. They were very noncommittal and didn't want to make any decision or influence how to do this. They wanted this issue to be left to the states. President Kennedy indicated he would like to have Craig draft an article for next week's meeting that summarizes these discussions and it is important, especially for multistate businesses that this be done uniformly.

Craig stated that with respect to the rounding that was in a current federal bill they recommend symmetrical rounding as described above, but when the federal committee looked at the bill, they pulled out the rounding information and the focus of the bill seemed to change its focus and look more at how to make the nickel cheaper to produce.

The decision to stop minting the penny was done at the federal level and if they wanted to, they could fix the issues any penny shortage with respect to cash transactions by putting in uniform rounding rules to assist the states in how to manage this.

Chuck stated as a CSP who fields these questions, in Canada this was made much easier because Canada issued very specific guidance on how to round and deal with the tax at the federal level. He understands why the states don't want to provide overt requirements on how to do this. Doing this at the federal level would prevent discrimination concerns between cash and card payments, SNAP benefits, etc. When SST provided the information on tariffs, it was very welcome. He feels we should do this for this issue as well.

Senator Reed would like Craig to draft a document for next week's meeting as well. Craig will draft an article for consideration at next week's Governing Board meeting.

Discussion of Section 106 Cannabis and Products Containing Cannabis proposed amendment (AM25007)

Section 106 of the SSUTA provides that the requirements contained in the SSUTA do not apply to marijuana or products containing marijuana. Some states have already changed the term "marijuana" in their laws to "cannabis". An amendment has been proposed to change the phrase "marijuana and marijuana products" in Section 106 of the SSUTA to "cannabis and cannabis products" and make clear that it still applies to products containing marijuana. Marijuana is just one of the products derived from cannabis. The amendment makes clear that



the exclusion from the SSUTA requirements applies to not only marijuana products but any products containing cannabis.

The purpose of the Executive Committee discussion is to see if anyone has any questions or concerns with the proposed amendment since the Governing Board will be considering it at next week's Governing Board meeting.

Senator Rest asked if by using "cannabis," whether this will refer to all THC products? Minnesota uses cannabis in their law otherwise and wants to make sure this change also applies to hemp. Craig stated the change is to expand the exclusion to cover all cannabis products from being subject to the SSUTA and providing flexibility for the states. The goal is to have this exclusion apply to all cannabinoids and noted most states are now using the word cannabis in place of marijuana to make sure they are covering all of the products.

Chris asks if we need to define cannabis in the agreement, or are we leaving that to the states. Craig stated we are avoiding defining it. We don't know what is going to happen at the federal level, so keeping this open at this time is a better option.

Nate Weber stated the last few words are redundant. Craig stated the business community requested this language to ensure marijuana was still included. Craig stated we can have a revised document ready for the governing board meeting next week. Senator Rest asked if we could say other products referred to as marijuana instead of the current language.

Craig will work with the BAC and states to try to come to agreeable language prior to the Governing Board meeting next week.

CSP Contract Negotiations Update

Craig indicated that there has not been a follow up meeting since the October Governing Board meeting with respect to the CSP contract revisions but he has started putting together language for some of the suggested changes. The CSPs were asked to develop proposed language for consideration related to some of the other issues that were discussed.

He has been speaking with Dave Steines and provided Dave the list of items the CSPs have been asked to develop proposed language on. Chad Paulson stated they are reviewing the information at their meeting next week and will follow up after.

Limited Lookback Proposal Update

Craig stated we voted last year on the limited lookback proposal and it failed by one vote. At the planning meeting in 2025, it was discussed and agreed to continue looking at moving this forward. He and Alison have been drafting language for consideration they will share next



week with a small group to begin reviewing. They will also discuss this at the planning meeting in January to get some feedback before bringing the workgroup back together.

SST Schema Changes Update

Craig thanked every state and CSP, as well as his staff for their work on this. The registration system has had a number of changes, and they are working through the remaining issues. Bryan stated the admin user interface; the extracts and the edit templates should be updated soon.

2026 Planning Meeting

President Kennedy stated we are looking for topics to consider. If anyone has ideas or comments, please send them to Craig in advance so we can add these to the agenda.

Senator Rest suggested we discuss different scenarios and possible impacts to SST states of interference with state laws regarding taxation based on the AI Executive Order that was issued. President Kennedy stated he was planning on bringing up under new business.

He indicated an Executive Order was issued that will be looking into state regulation of artificial intelligence and the potential burden on interstate commerce and is something we need to be concerned with and thinking about. The Executive Order may be about artificial intelligence, but the clause regarding interstate commerce is quite alarming.

Upcoming Executive Committee meeting schedule with other special meetings as needed

January 16, 2026 – Teleconference (10 am central) – this meeting date will need to be updated due to various conflicts with Executive Committee members.

Governing Board Meetings

December 19, 2025 – Teleconference (10 am central)

May 2026 (specific dates TBD) – In-person meeting – Michigan

Craig indicated that we have received the contract for the May Governing Board meeting in Grand Rapids, MI and if we can come to acceptable terms, the contract will be signed and a Save the Date will be sent. The dates look to be May 12 – 14, 2026.

Old Business

None

New Business

None

Adjournment



President Kennedy asked for a motion to adjourn (provided by Mike Walsh) at 12:06pm central.