State Guide to the Streamlined Sales Tax Project

An Overview and Guide for State Lawmakers and Tax Administrators Explaining the Streamlined Sales Tax Project

Created and Maintained by:
SSTGB Administration
Revised January 14, 2021
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The Streamlined Sales Tax Technology website page has the following information:

- Technology Guide
- Current Schema Set: SST2015V01
- Basic SER Fields list
- Streamlined Sales Tax Technical Definitions fields used in the schemas and extracts (Chapter 16 of the Technology Guide)
- Rate and Boundary Instructions (Chapter 5 of the Technology Guide)
DOCUMENT PURPOSE

The purpose of this document is to serve as a high-level overview and guide for state lawmakers and tax administrators to understand (1) the requirements that must be met in order to join the Streamlined Sales Tax Governing Board (SSTGB) as a full member state; (2) the requirements to remain a full member state; (3) how the SSTGB is governed; (4) the personnel commitments; and (5) the technology requirements.

The specific details relating to these areas are covered in the Streamlined Sales and Use Tax Agreement (SSUTA), the SSTGB Rules and Procedures (and Appendices), the SSTGB Bylaws and the contract the SSTGB enters into with the Certified Service Providers (CSP).

In the event information in this guide is inconsistent with the SSUTA, Rules, Bylaws or Certified Service Provider’s contract, the SSUTA, Rules, Bylaws or contract controls.

EXECUTIVE SUMMARY / PROJECT OVERVIEW

State governments, with input from local governments and the private sector, wanting to simplify and modernize sales and use tax collection and administration created the Streamlined Sales Tax Organization. The organization focuses on improving sales and use tax administration systems for both main street and remote sellers for all types of commerce.

The goal of Streamlined Sales Tax (SST) is to provide states and the business community with a Streamlined Sales Tax System that includes the following key features:

- Uniform definitions of certain sales and use tax related terms
- State and local rate simplification (limited exceptions allowed)
- Uniformity of state and local tax bases (limited exceptions allowed)
- State level tax administration of all state and local sales and use taxes
- Uniform sourcing rules (which jurisdiction’s tax is imposed)
- Uniform administration of exempt sales
- A single online central registration system for all member states (complete one simple application to become registered in all member states)
- Simplified and uniform tax returns and tax remittance procedures
- State funding of the system (states pay very reasonable annual dues)

For a complete description of the Streamlined Sales Tax organization and the SSUTA go to www.streamlinesalestax.org.

The various sections of this guide explain how the SSUTA interacts with your state’s laws, which taxes the SSUTA requirements apply to, a state checklist for states to use when considering membership in the Streamlined Sales Tax Governing Board, the technology requirements, the various Streamlined Committees and their responsibilities, the various levels of membership and how to petition for membership.
SSUTA ARTICLE XI - THE SSUTA DOES NOT PREEMPT STATE’S LAWS!

The Agreement does not override state laws. However, the state must comply with the requirements contained in the Agreement to be a member state under Article VIII.

SSUTA Section 1102 provides that:

“No provision of the Agreement in whole or part invalidates or amends any provision of the law of a member state. Adoption of the Agreement by a member state does not amend or modify any law of the state. Implementation of any condition of the Agreement in a member state must be by the action of the member state.”

SSUTA Section 1103 provides in part that:

“...B. No person shall have any cause of action or defense under the Agreement or by virtue of a member state’s approval of the Agreement. No person may challenge any action or inaction by any member state on the grounds that the action or inaction is inconsistent with the Agreement.

C. No law of a member state may be declared invalid on the grounds that the law is inconsistent with the Agreement.”

WHAT TAXES DOES THE SSUTA APPLY TO?

- Applies to the state and local sales and use taxes collected by retailers, administered by the states and identified in the state’s petition for membership.
- Limited application to consumer use tax.
- The provisions of the agreement do not apply to vending machine sales or sales of marijuana or products containing marijuana. (Sections 105 and 106)
- Exclusions to specific rules are listed with the specific rule.

STATE CHECKLIST FOR STATES CONSIDERING MEMBERSHIP

State Action Items for Implementation

Identified below are the various steps that states considering membership in Streamlined should follow to join and implement Streamlined. See Appendix 1 for a flowchart that lays out these steps in a summary format.

1. Review Information
   A. Streamlined website - www.streamlinedsaletax.org
   B. Streamlined Sales and Use Tax Agreement (SSUTA)
   C. Streamlined Sales Tax Governing Board Rules and Procedures
   D. Streamlined Technology Guide and associated links and information
   E. Frequently Asked Questions (FAQs)
2. **Establish Contacts**
   A. Contact the Executive Director to discuss participation in SST.
   B. Assign a person(s) to determine what your state must do to become a Streamlined member state. Form an Implementation Team of state, business, and technology members to identify the resources, training, and tools needed to implement the technology successfully.
   C. Contact the IT Director for technology requirements for participation in the Streamlined Sales Tax Registration System, the certification and use of Certified Service Providers and Certified Automated Software, and the acceptance of Simplified Electronic Returns and remittances.
   D. Assign persons to participate in the following:
      a. Governing Board
      b. State and Local Advisory Council
      c. Certification Committee
      d. Audit Committee
   E. Contact the chairs of each committee to determine the issues being worked on and to discuss any issues your state should be aware of.
   F. Participate in **E-Standards** group. The E-Standards (formerly TIGERS) group listserv is an FTA E-List. E-Standards is responsible for reviewing and approving any changes to the XML schemas, web services, and communications methodology the Certification Committee recommends and Governing Board approves.

3. **Requirements for Compliance with SSUTA - Laws**

   Determine and make necessary changes to existing statutes, regulations, rules, and policies to comply with each of the provisions of the SSUTA.

   For specific language and additional detail on any requirement, please refer to the SSUTA, rules, interpretations, and appendices.

   The Certificate of Compliance identifies each of the requirements with which the state must comply. In general, the requirements are as follows:

   A. State level administration of sales and use taxes (SSUTA Section 301)
   B. Uniform state and local tax base (SSUTA Section 302)
   C. Participation in the central registration system (SSUTA Section 303)
   D. State and local rate and boundary changes (SSUTA Sections 305 - 308)
   E. Uniform sourcing rules (SSUTA Sections 309 through 315, Rules 309-314.1)
   F. Exemptions (SSUTA Sections 316 and 317, Rule 317)
   G. Acceptance of certain return requirements, the simplified electronic return and remittance requirements (SSUTA Sections 318 and 319)
   H. Confidentiality for taxpayers registering through streamlined (SSUTA Section 321)
   I. Sales tax holidays (SSUTA Section 322, Library of Definitions)
   J. Caps and thresholds (SSUTA Section 323)
   K. Uniform rounding rules and tax computation (SSUTA Section 324)
   L. Refund procedures (SSUTA Section 325)
   M. Direct pay permits (SSUTA Section 326)
N. Uniformity of terms defined in the Library of Definitions (SSUTA Section 327, Rule 327-327.9, Appendix C)
O. Completion of Online Taxability Matrix (Section 328)
P. Bundled transactions (SSUTA Section 330, Library of Definitions Part 1, Rule 330)
Q. Liability relief – Purchasers (SSUTA Section 331)
R. Specified Digital Products (SSUTA Section 332 and 333, Library of Definitions, Rules 332 and 333)
S. Prohibited Replacement Taxes (SSUTA Section 334, Rule 334)
T. Tax Administration Practices (SSUTA Section 335)
U. Initial Amnesty Period (SSUTA Section 402)
V. Review and certification of Certified Service Provider’s systems (SSUTA Section 502)

4. Requirements for Certificate of Compliance and Taxability Matrix

Each state must complete a Certificate of Compliance and Taxability Matrix and keep these documents up-to-date based on their laws, rules, regulations and written policies. Both documents are completed online on the Governing Board’s website. Each state is provided a login to access and edit only their own state’s documents. (Note: If your state is considering joining Streamlined, please contact the Executive Director for a password and login so that you can review and complete these documents. These documents are extremely helpful in identifying what changes may be needed to your laws to comply with the requirements of the SSUTA.)

The Certificate of Compliance identifies the various requirements contained in the SSUTA with which the state must comply. The state provides its answers, explanations and references to its laws, rules, regulations and written policies to demonstrate that it is in compliance with each of these requirements.

The Taxability Matrix identifies each of the definitions and tax administration practices adopted by the Governing Board and which each state must follow. The state indicates the tax treatment of each of the items identified in the matrix along with a reference to its applicable law, rule, regulation or written policy. A state can also enter any comments that may be helpful to users in complying with their laws.

These documents are not viewable by the public until the state requests the Governing Board publish the document. It is important that these documents are completed properly since incorrect answers can be relied upon by the users for purposes of obtaining liability relief.

5. Requirements for Compliance with SSUTA - Technology

- Commit to using the SST technology standards and the Change Control process.
- Obtain technical training, as needed, in SOAP, XML, and communications technologies such as web services.
- Participation in the Certification and Audit Committees is strongly recommended.

A. Local rate and boundary changes and databases (Section 305)

  a. Determine your state’s requirements for a boundary database.

  The state must provide and maintain a database that assigns each five-digit and nine-
digit zip code in the state to the proper tax rates and jurisdictions. The state may also provide address-based boundary database records for assigning taxing jurisdictions and rates. This database must describe boundary changes and the effective date of those changes.

b. The state must provide and maintain a database that shows the sales and use tax rate imposed by each jurisdiction.

The Rates and Boundary Databases Instructions (Chapter 5 of the Technology Guide) details the format and required fields.

B. Streamlined Sales Tax Registration System (SSTRS) (Section 303, 401, 402, 404)
   a. Member states must participate in the Streamlined Sales Tax Registration System (SSTRS) to be in compliance with SSUTA. (Section 401)
   b. States use a web service to pull registration data from the SSTRS using the SST Registration Transmission XML schema.

For details on the technical requirements of the Registration System and communication technology required please review the Technology Guide and Technology webpage.

C. Uniform tax returns and uniform rules for remittances of funds (Section 318 and 319)
   a. Member states must be able to accept a Simplified Electronic Return (SER) from any seller or Certified Service Provider, with limited exceptions.
   b. The state must provide a web service that is generally available on a 24/7 basis for filing Simplified Electronic Returns.
   c. The state must use the SST schemas for the Simplified Electronic Return transmission, receipt and acknowledgements.

For details on the technical requirements of the Simplified Electronic Return (SER) and communication technology required please review the Technology Guide and Technology webpage.

D. Certified Service Providers (CSP) and Certified Automated Systems (CAS)
   a. All SST full, contingent and associate member states conduct testing and certification of Certified Service Providers and Certified Automated System providers and applicants. Testing determines if the CSP and CAS providers and applicants meet the requirements in Article V of the SSUTA.
   b. States joining SST after the initial certification of a provider are required to complete testing and certify all current CSPs and CAS providers prior to petitioning for full, associate or contingent membership.
   c. Testing includes reviewing and certifying the CSP/CAS tax rules, results for sourcing and rate application which is to correspond to the state’s rate and boundary files, and that the Simplified Electronic Return (SER) is properly completed and can be properly transmitted to and received by the state.

See Appendix E of the SSTGB Rules for the testing process for applicants, recertification, and quarterly testing.

d. Monetary Allowance (SSUTA Article VI)
   The state must provide allowances to (i) a CSP that provides services to a “CSP-
“CSP-compensated seller” based on the taxable transactions processed by the CSP and (ii) to a qualifying Model 2 seller for a period not to exceed 24 months. Allowance rates are set by the CSP or CAS contract. “CSP-compensated seller” is defined in the CSP contract.

Explanations of what a CSP or CAS is and does, along with links to CSP/CAS websites are available in the FAQ section of the Streamlined website.

6. Audit and Operational Procedures
   A. Determine and make necessary changes to existing processing and audit systems to reflect legislative changes made to comply with the SSUTA, such as elimination of caps, destination sourcing, CSP allowance and collection for local jurisdictions.
   B. Determine changes to operational processes, error corrections, and audit processes that will be necessary with the specific formats for registration and Simplified Electronic Return data.

7. Education
   A. Internal:
      a. Educate Department employees on SST requirements, processes, definitions, and ongoing changes.
      b. Establish contacts so employees know whom to contact with SST questions.
      c. Develop guidelines to process Simplified Electronic Returns, payments, and registrations.
   B. External:
      a. Educate taxpayers on law changes that were required for Streamlined compliance.
      b. Education may include on-line training, seminars, hands-on training sessions, education provided through CPAs, Chambers of Commerce, and other venues.
      c. Prepare educational information to mail and have on website.

If you want Streamlined staff to participate in the training of your staff, please contact the Executive Director.

GOVERNING BOARD AND COMMITTEE INFORMATION

The Streamlined Sales Tax organization is led by an Executive Director who is hired by the Executive Committee. The Governing Board itself is made up of representatives from each of the Member States. There are also various other Committees, some of which are elected by the Member State representatives and others which are appointed by the SSTGB President and approved by the Executive Committee. The section below describes each of the Boards and Committees and their primary responsibilities. See Appendix 2 for the organizational chart.

| Governing Board | Membership is open to any state of the United States of America, the District of Columbia and the Commonwealth of Puerto Rico that is in compliance with the Agreement as provided in Section 805. To be a member, the entity must submit a |
petition for membership and a Certificate of Compliance to the Governing Board and be approved by the existing members of the Governing Board.

Each member state:

- May appoint up to four representatives to the Governing Board. Representatives shall be members of the executive or legislative branches of the state or of a local government of that state.
- Has one vote on the Governing Board, unless otherwise restricted.

**Primary responsibilities include:**

- Administration and operation of the Agreement.
- Approving any amendments and interpretations related to the SSUTA, Rules and Bylaws
- Determining each member state’s compliance with the requirements of the SSUTA
- Electing the Officers and Directors of the Executive Committee

*Reference: Reference: ByLaws, SSUTA Section 806 – Agreement Administration*

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**Executive Committee**

Comprised of five Directors and four Officers who are elected by the Governing Board. Any duly appointed representative of a State is eligible to service as a Director or Officer. No more than one Officer or Director may be from the same state.

**Primary Responsibilities Include:**

- Managing the general affairs of the Governing Board
- Determining staffing needs
- Entering into contracts on behalf of the Governing Board
- Developing recommendations related to the sanctions for member states that are not in compliance with the SSUTA

*Reference: ByLaws, Article Six*

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**Nominating Committee**

Comprised of eight persons elected by the Governing Board and who are delegates to the Governing Board. No more than one representative per state.

**Primary Responsibility:**

- Seek candidates for nomination as Officers and Directors for the Executive Committee

*Reference: By Laws, Article Seven, Section 1*
| **Compliance Review and Interpretations Committee (CRIC)** | The President, with approval of the Executive Committee, annually appoints a Committee Chair, a Vice Chair and five committee members from the Full Member and Contingent Member States. The members must be from the executive or legislative branch of the Member State, but are not required to be delegates to the Governing Board.  
**Primary Responsibilities Include:**  
- Making recommendations to the Governing Board on matters involving interpretations, definitions, revisions or additions to the Agreement  
- Reviewing the states’ compliance with the SSUTA and making recommendations to the Governing Board regarding each state’s compliance  

  *Reference: ByLaws, Article Seven, Section 2.* |
| **Finance Committee** | The Secretary-Treasurer of the Governing Board is the Finance Committee Chair. The Chair annually selects four additional committee members from the Governing Board Member States.  
**Primary Responsibilities Include:**  
- Working with the Executive Director to prepare the annual budget  
- Review the quarterly financial reports  
- Establishing banking procedures and other financial related policies  

  *Reference: ByLaws, Article Seven, Section 3.* |
| **Issue Resolution Committee (IRC)** | The President, with approval of the Executive Committee, annually appoints an Issue Resolution Committee Chair and four committee members from the Governing Board Member states. Committee members must be executive or legislative branch employees of the Member State but are not required to be delegates to the Governing Board.  
**Primary Responsibilities Include:**  
- Handling any appeals of decisions made by the Governing Board  

  *Reference: ByLaws, Article Seven, Section 4 and Rule 1001* |
| **State and Local Advisory Council (SLAC)** | Comprised of representatives from each participating state as well as the local governmental units and those states that are not members of the Governing Board. The Council provides a forum for all state and local government officials to express their ideas and concerns and to have a formal process to bring those concerns to the Governing Board.  
**Primary Responsibilities Include:**  
- Providing advice to the Governing Board on matters pertaining to the administration of the SSUTA  
- Developing and vetting amendments and rules related to the SSUTA |
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<tr>
<th>Committee</th>
<th>Description</th>
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<tr>
<td>State and Local Advisory Council Steering Committee</td>
<td>This committee is comprised of nine persons that are elected by the Council. The chair and co-chair of the Council are appointed annually by the President, with approval of the Executive Committee. At least two of the members (but not more than three) will be local government representatives. <strong>Primary Responsibilities Include:</strong> • Oversee the direction and projects taken on by SLAC <strong>Reference:</strong> ByLaws, Article Eight, A., SSUTA Section 810 and Rule 810.2</td>
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<td>Business Advisory Council (BAC)</td>
<td>Comprised of representatives from the private sector and open to businesses of all sizes and industry types, including practitioners. <strong>Primary Responsibilities Include:</strong> • Advising the Governing Board and State and Local Advisory Council (SLAC) on matters pertaining to the administration of the SSUTA, including, but not limited to, admission of states into membership, issues of noncompliance, and interpretations, revisions, or additions to the SSUTA <strong>Reference:</strong> ByLaws, Article Eight, B., SSUTA Section 811</td>
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<td>Local Advisory Council (LAC)</td>
<td>Comprised of representatives from the U.S. Conference of Mayors, National League of Cities, National Association of Counties, and Government Finance Officers Association who are local government employees or employees of their state counterpart organizations. <strong>Primary Responsibilities Include:</strong> • Providing advice to the Governing Board and State and Local Advisory Council (SLAC) on matters pertaining to the administration of the SSUTA that specifically relate to local governments <strong>Reference:</strong> ByLaws, Article Eight, C., SSUTA Section 812 and Rules 812.1 and 812.2</td>
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<td>Certification Committee</td>
<td>Comprised of representatives from every member state. The Chair of the committee is appointed annually by the President, with approval of the Executive Committee. <strong>Primary Responsibilities Include:</strong> • Develops the technical aspects of the Simplified Electronic Return (SER), the Streamlined Sales Tax Registration System (SSTRS) and the rate and boundary files • Advises the Governing Board on matters pertaining to the certification and recertification of certified service providers and automated systems <strong>Reference:</strong> Rule 501.7</td>
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Audit Committee

Comprised of representatives from every member state. The Chair of the committee is appointed annually by the President, with approval of the Executive Committee.

**Primary Responsibilities Include:**

- Advises the Governing Board on procedures for the audit of certified service providers (CSPs), certified automated systems (CAS) and the sellers that use those systems
- Oversees the Audit Core Team that conducts contract compliance audits of CSPs and coordinates state tax compliance audits
- Provides direction and procedures on Streamlined related audit issues

*Reference: Rule 803.3*

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**LEVELS OF MEMBERSHIP**

*Reference: SSUTA Article VIII, Section 801, By Laws*

There are four levels of membership. Membership status is based on that state’s compliance with the requirements contained in the Streamlined Sales and Use Tax Agreement (SSUTA).

<table>
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<th>Full Membership</th>
<th>A state that is in compliance with the SSUTA and all changes made to bring the state into compliance are in place and effective.</th>
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<td></td>
<td>- May have up to four representatives on the Governing Board</td>
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<td>- One vote on Governing Board</td>
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<td>- Pays annual dues and fees</td>
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<td></td>
<td>- Subject to annual recertification</td>
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<td>- Provides amnesty for sellers registered through Streamlined Sales Tax Registration System (SSTRS) for 12 months from the date full member status is attained</td>
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<td>- Pays CSP Compensation for sellers registered through the SSTRS that are CSP-compensated sellers in that state</td>
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<td></td>
<td>- Receives information on all sellers registered in that state through the SSTRS. Sellers using the SSTRS may register in all or selected Full Member states</td>
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<td></td>
<td>- Receives seller information from audits conducted by the Governing Board</td>
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*Reference: SSUTA Section 801.1*

| Contingent Membership | A state that has made all changes necessary to be in compliance with the SSUTA, however, the changes are not yet in effect. The changes must be scheduled to become effective no later than the first day of a calendar quarter that is not more than twelve months subsequent to its proposed date of entry as a contingent member state. |
- May have up to four representatives on the Governing Board
- One vote on Governing Board
- Pays annual dues and fees
- Subject to annual recertification
- Provides amnesty for sellers registered through the SSTRS from the date the contingent member status is attained until 12 months after the date full member status is attained
- Pays CSP Compensation for sellers registered through the SSTRS that are CSP-compensated sellers in that state
- Will not receive information on sellers registered through the SSTRS unless that seller chooses to register for that state. (Section 401)
- Will not receive seller information from an audit conducted by the Governing Board cannot be shared unless the contingent member state is a party to the audit

*Reference: SSUTA Section 801.2*

<table>
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<th>Associate Membership</th>
<th>A state that has achieved substantial compliance with the SSUTA terms, but not necessarily with each provision as required by Section 805.</th>
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|                      | • May have up to four representatives on the Governing Board
|                      | • One vote on Governing Board
|                      | • May not vote on amendments to or interpretations of the SSUTA.
|                      | • May not vote to determine if a petitioning state is in compliance with the SSUTA
|                      | • May not have a representative of the state serve on the Compliance Review and Interpretations Committee (CRIC)
|                      | • Pays annual dues and fees
|                      | • Subject to annual recertification
|                      | • Provides amnesty for sellers registered through the Streamlined Sales Tax Registration System (SSTRS) from the date the associate member status is attained until 12 months after full member status is attained
|                      | • Pays CSP Compensation for sellers registered through the SSTRS that are CSP-compensated sellers in that state
|                      | • Will not receive information on sellers registered through the SSTRS unless that seller chooses to register for that state. (SSUTA Section 401)
|                      | • Will not receive seller information from an audit conducted by the Governing Board unless the associate member state is a party to the audit

*Reference: SSUTA Section 801.3 and Rule 801.1*

| Advisor Membership | Any state that held Implementing State status before October 1, 2005 and has not become a full, contingent, or associate state member is an advisor state to the Governing Board. Any state not previously an implementing state may become an advisor state by:

1. Enacting legislation authorizing the state’s participation in interstate discussions to develop a simplified sales and use tax system; or
2. Executing a memorandum of understanding or similar written document by the governor and legislative leaders expressing the intent of the state to participate in interstate discussions to develop a simplified sales and use tax system.

Any question over whether or not a state qualifies as an advisor state shall be resolved by a majority vote of the Governing Board.

- The state serves in an *ex officio* capacity on the Governing Board, with non-voting status, but may speak to any matter presented to the Governing Board for consideration
- May have up to four representatives, who shall be members of state or local government, service as the state’s delegation to the Governing Board
- State representatives may serve on standing committees of the Governing Board, except they may not serve as officers or directors on the executive committee, as members of the finance committee, or as members of the compliance review and interpretations committee
- May not participate in a closed session of the Governing Board or a Governing Board committee
- Will not receive information on sellers registered through the Streamlined Sales Tax Registration System (SSTRS). (Section 401)
- Will not receive seller information from an audit conducted by the Governing Board

*Reference: SSUTA Section 801.4*

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**PETITIONING FOR MEMBERSHIP STATUS**

*Reference: Rules Article VIII*

When a state believes it has met the requirements for compliance with SSUTA for the membership status it wishes to obtain, the state may petition the Governing Board for Membership. The state may petition for any of the four membership levels.

To petition for Full, Contingent, or Associate member status, the state must:

1. Provide amnesty pursuant to Section 402 of the Agreement
2. Provide liability relief to sellers and purchasers as required by the Agreement
3. Have completed the Certificate of Compliance (SSUTA Section 802)
4. Have completed the Taxability Matrix (SSUTA Section 328)
5. Have certified existing Certified Service Providers and Certified Automated Systems (Article V)
6. Be able to pay certified service providers pursuant to the Governing Board’s contract (Article VI)
7. Be able to accept Simplified Electronic Returns (SSUTA Section 318)
8. Be able to accept registrations from the Streamlined Sales Tax Registration System (SSUTA Section 303, 401)
9. Comply with the exemption administration provisions as required by the Agreement
10. Have adopted the sourcing requirements as required by the Agreement (Article III)
11. Be in compliance with the rules and definitions in the SSUTA (Article III)

- A Contingent state has statutes, rules and regulations in place that are not yet in effect but will become effective no later than the first day of a calendar quarter that is not more than twelve months subsequent to its proposed date of entry as a contingent member state.
- An Associate state will have adopted a majority of the definitions in the Agreement as are relevant for the state’s sales and use tax administration.

Petition Process

- State submits Petition for Membership to the Governing Board and posts its petition on its website. The Petition for Membership is in the SSUTA, Appendix A.
- The Governing Board President provides a copy of the petition to all member states and the petition is posted on the Governing Board’s website.
- The Governing Board provides public notice and time to allow the public, states, and the SST Governing Board to review the petition, the state’s statutes, administrative rules, regulations, and other policies to determine compliance with the SSUTA as required for the membership level petitioned for. The petitioning state should have a person available to respond to questions during the review process.
- The petitioning state is provided time to respond to any questions presented by the Governing Board, states, or public.
- Recommendation to approve or not approve membership is presented to the Governing Board by the member states and business personnel assigned to complete the review.
- Approval requires a three-fourths vote of all Streamlined Full and Contingent Member States.
- Effective date of membership is the proposed date of entry on the state’s petition or the first day of the calendar quarter, which is at least sixty days after the Governing Board approves the petition for membership.

ANY QUESTIONS?

If you have any questions related to the Streamlined Sales and Use Tax Agreement, please visit the Frequently Asked Questions section of our website or contact Craig Johnson, Executive Director at (608) 634-6160 or by email at craig.johnson@sstgb.org.
Appendix 1

Steps to Become a Streamlined Member State

**Review information on Streamlined’s website**
- Streamlined Agreement
- Rules and Procedures
- Technology Guide
- CSP Contract
- Frequently Asked Questions

**Contact Streamlined Executive Director**
- Discuss possible membership and next steps
- Identify Project lead responsible for identifying tasks that must be done to become members

**Set-up State Implementation Team**
- Identify persons to participate in meetings and to make contacts with other states and business community
- Legislative leaders
- Administration leader
- Technology leader
- Audit leader
- Training/Customer service leader

**Complete Online Certificate of Compliance and Taxability Matrix**
- Contact IT Director for login credentials
- Review and complete these to help identify law and rule changes needed to comply with the SSUTA

**Draft and adopt necessary law and rule changes to comply**
- Ensure liability relief requirements in SSUTA and CSP contract are met
- Work with business community to identify changes needed
- Draft necessary changes and work with legislative leaders to adopt
- Streamlined will assist in reviewing legislation to help ensure compliance

**Contact Streamlined IT Director to review technology needs**
- Review Streamlined Technology Guide
- Determine technology training needs:
  - Rate and boundary database requirements
  - Registration system requirements
  - Simplified Electronic Return processing requirements
  - Identify person to attend and participate in the Certification Committee meetings

**Test and Certify Existing Certified Service Providers**
- Review Appendix E of SSTGB Rules
- Review and Certify CSP Taxability Rules
- Develop and provide test decks to each CSP to confirm their system determines proper sourcing and tax amounts
- Test receipt and format of Simplified Electronic Return from each CSP

**Submit Petition for Membership**
- Submit petition to Executive Director
- Include completed Certificate of Compliance and Taxability Matrix
- Include petition fee ($20,000) - Refunded if petition is rejected

**Membership Petition Review**
- A group of current member states and the business community review petition for compliance with the SSUTA requirements
- States and business groups provide findings of their review for Governing Board to consider

**Governing Board Votes on Membership Petition**
- Membership requires approval of 3/4 of entire Governing Board

**Training and Education**
- Train and educate employees about Streamlined and the changes made to join
- Educate businesses on law changes
- Contact Executive Director if you want Streamlined representatives to participate in your training
Appendix 2

Streamlined Sales Tax Governing Board and Committee Organizational Chart

- Governing Board Member States
  - Executive Director
  - Executive Committee
    - Nominating Committee
    - Compliance Review and Interpretations Committee
    - Finance Committee
    - Issue Resolution Committee
      - State and Local Advisory Council
        - Business Advisory Council
        - Local Advisory Council
        - Certification Committee
        - Audit Committee