

Action Items Notice for May 2026 Streamlined Sales Tax® Governing Board Meeting

The following items have been noticed for possible action by the Streamlined Sales Tax® Governing Board at the May 2026 Governing Board meeting in Grand Rapids, MI. Included below are the links to the actual documents along with brief explanations of each of the items.

1. December 2025 Governing Board Meeting Minutes (MM26001)

- No explanation necessary.

2. Sanctions Recommendations from Executive Committee ([EC26001](#))

- **Georgia** – These are the same sanctions currently imposed on Georgia for its noncompliance. The recommendations are that Georgia is:
 - Not allowed to vote on amendments to the SSUTA; and
 - Not allowed to vote on other states' compliance with the SSUTA
- **Ohio** – This is the second-year sanctions are being recommended for noncompliance.
 - The recommendation is that Ohio is:
 - Not allowed to vote on other states' compliance with the SSUTA
 - *SLAC has proposed an amendment to the SSUTA ([AM26001](#), [AM26001A](#)) that would bring Ohio back into compliance. If the amendments are approved the sanction recommendation would be removed.*

3. Sales Price Definition Amendment ([AM26003](#))

- In response to the US Treasury ending minting of the penny, sellers are finding it necessary to round cash transactions. This amendment clarifies that the “Sales Price” and the calculation of the sales tax due on cash transactions does not change due to rounding the “total transaction amount” due. The “total transaction amount” is the final amount due and includes all applicable taxes and fees.

4. Section 805 Compliance – Federal/SSUTA Requirement Conflicts ([AM26007](#))

- With very limited specific exceptions, the SSUTA does not contain any information that addresses conflicts between federal laws and SSUTA requirements. This amendment makes it clear that a state is not out of compliance if they are not following a specific SSUTA requirement if it is the result of a ruling, legislative determination or executive decision made by a state to comply with federal law. An example of why this is needed is the potential conflicts created between the Internet Tax Freedom Act provisions and the definitions of specified digital products.

5. Section 308 State and Local Tax Rates - Blended Rate Clarification ([AM26004](#))

- For sourcing purposes, States with local jurisdiction taxes may elect to assign the highest, lowest, or blended rate to the five-digit zip code area. The SSUTA does not define what is meant by a “blended” rate. This amendment allows the state to determine the method for determining a blended rate for their state and allows them to use any rate between the highest and lowest rate in the five-digit zip code area. No member state is currently using a blended rate, but it is anticipated that with this change some states will implement a blended rate for five-digit zip code areas. If a state uses a blended rate, they are required to include that in the rate and boundary databases required under the SSUTA.

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6. **CSP Contract for 2027 – 2029** ([MC26001](#) and [MC26001A](#))
 - The current CSP contract runs through December 2026. A group of state representatives and the CSP’s have developed various proposed revisions to the current contract. The revised contract would be effective January 1, 2027 and run through December 31, 2029. Brief explanations of the proposed revisions are contained in document MC26001.

7. **Financial Report – 2nd Quarter FYE 6/30/2026** ([FC26001](#))
 - No explanation necessary.

8. **Financial Report – 3rd Quarter FYE 6/30/2026** ([FC26002-01](#))
 - No explanation necessary.

9. **Proposed Rule 327.3.1 For Home Use** ([RP26002](#))
 - At the October 2025 meeting, the Governing Board directed SLAC to create a workgroup to review definitions within the SSUTA that use the phrases “appropriate for use in a home,” “for home use,” and “for personal use” and consider revisions to definitions using those terms or develop uniform interpretations or rules related to these phrases. SLAC is presenting this rule clarifying these three phrases.

10. **Vape and Vapor Products**
 - SLAC accepted a work request to look at creation of a definition of Vapor Products and to also review how to keep Vapor Products from being included in the definition of “food and food ingredients.” The work group is proposing a rule that excludes certain activities from the term “ingestion” as it is used in the definition of “food and food ingredients” and new definitions for “vapor product”, “vapor product delivery system” and “vapor product delivery system component part or accessory” that would be placed in the sales tax holiday definitions section of the SSUTA.

Voting Items:

 - **Proposed Rule 327.10** ([RP26001](#))
 - This rule clarifies that “ingestion”, as used in the definition of food and food ingredients, does not include a product that is inhaled, absorbed, or injected into the body. It further states that food and food ingredients that are delivered through a feeding tube is considered “ingested”.
 - **Proposed Definitions - Vape and Vapor Products** ([AM26001](#), [AM26001A](#))
 - The definitions of “vapor product”, “vapor product delivery system” and “vapor product delivery system component part or accessory” are proposed to be added to Sales Tax Holiday Definitions section of the SSUTA. Adding these definitions allows a state to impose a sales tax holiday on all TPP and to exclude these defined vapor products from the holiday.

11. **Tax Administration Practices - Delivery Network Companies**
 - A new work request was received from delivery network companies (DNCs) and the BAC. DNCs, through a website or mobile application, provide sales and delivery of tangible personal

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property using third-party shoppers to deliver the products. The DNC charges the applicable sales tax on the entire amount charged to the customer and remits the sales tax to the state.

The work request included suggested language for disclosed practices specific to how a DNC is to remit sales tax and how to obtain sales tax refunds or credits when the DNC may have also been required to pay tax to the retailer at the time the product was purchased.

Voting Items:

- **Disclosed Practices 10** ([AM26006](#))
- **Tax Administration Practice Tax Matrix** ([AM26006A](#))

12. Tax Administration Practice Marketplace Facilitators – Other Taxes and Fees

- The SLAC workgroup creating the DNC disclosed practices 10 proposed a disclosed practice that is similar to a disclosed practice already contained in the Marketplace Facilitators disclosed practices 8.3.o. The workgroup is proposing to amend the Marketplace Facilitators disclosed practice to be identical to the practice proposed for DNCs to provide clarity and consistency between both practices.

Voting Items:

- **Disclosed Practice 8.3.o. Amendment** ([AM25003B](#))
- **Tax Administration Practice Tax Matrix** ([AM25003C](#))

13. Redemption Codes

- **Proposed Rule 336.1** ([RP25001-04](#))
 - During the October 2025 Governing Board meeting, Section 336 – Redemption Codes, received a second vote to approve adding this section to the SSUTA. Rule 336.1 was not voted on at that time to allow the workgroup to continue developing examples explaining what a Redemption Code is and is not. Rule 336.1 is now proposed for consideration.
- **Section 311 Amendment** ([AM26005](#))
 - The workgroup developing the Redemption Codes definition and rules identified the need to include Redemption Codes in the General Sourcing Definitions. The proposed amendment states that if the seller of the Redemption Code does not know where the customer will receive the product or service at the time the redemption code is being sold, that the location where the code itself is received is where the sale is sourced. A similar change is also being made with respect to digital codes.

14. Section 332.H Digital Goods ([AM26002](#))

- The digital goods definitions workgroup identified a need to amend the Agreement regarding the treatment of certain items that fall within the definition of specified digital products that states may be excluding from or not subjecting to taxation. Section 332.H currently allows a state to enact a **product-based exemption** for specific items that fall within the definition of specified digital products if such items which are not “transferred electronically” are also granted a **product-based exemption** by the state. However, the Agreement is silent regarding the exclusion from or not subjecting to taxation specific items that fall within the definition of specified digital products even if such items that are not transferred electronically are excluded from or not subjected to taxation. This amendment makes it clear that exempting, excluding and not subjecting specific items within the definition of specified digital products

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from taxation is allowed, provided such items that are not transferred electronically are also exempted, excluded or not subjected to taxation.

No state should have to change its laws, rules or regulations as a result of this amendment since it would be permissive and not required. A summary of the issue being addressed by this amendment is provided on amendment document AM26002.

15. Tax Administration Practices - Vouchers

- A second vote is necessary to change “redemption codes” to “authorization codes” which is the same change made to Section 336 and approved at the October 2025 Governing Board meeting.

Voting Items:

- **Disclosed Practice 1 - Vouchers** (2nd vote to add “redemption codes”) ([RP25001A01](#))
- **Tax Administration Practice Tax Matrix** ([AM25001A01](#))

16. Updated Certificate of Compliance – Annual updates ([SL26002](#))

- No explanation necessary.

17. Updated Taxability Matrix – Library of Definitions ([SL26003](#))

- No explanation necessary.

18. Updated Taxability Matrix – Tax Administration Practices ([SL26004](#))

- No explanation necessary.