

THE BEST AND WORST OF STATE SALES TAX SYSTEMS

COST SCORECARD ON SALES TAX SIMPLIFICATION, UNIFORMITY & THE EXEMPTION OF BUSINESS INPUTS

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EXECUTIVE SUMMARY

This Scorecard on State Sales Tax Systems: COST Scorecard on Sales Tax Simplification, Uniformity, and Exemption of Business Inputs ("Scorecard") is the first COST scorecard focusing on specific sales tax laws and regulations.² All but five states impose sales taxes,3 which in fiscal year 2016 raised over \$363 billion in tax revenue for the remaining states (and their localities). This figure represents twenty-two percent of the states' total tax collections. 4 The goal of this Scorecard is similar to the other scorecards issued by COST: to improve tax administrative systems and therefore ultimately increase compliance. It is our experience that taxpayers are more willing to comply with a tax system they perceive to be balanced, fair, and effective. Sales tax administrative systems that violate basic principles of fairness and efficiency make compliance for sellers and purchasers more difficult and hinder states' efforts to modernize their sales tax bases.

The Scorecard objectively evaluates state statutes and rules that govern state and local tax departments' administration of their sales taxes. Importantly, the states' differences in tax rates and breadth of

- Since 2001, the Council On State Taxation (COST) has issued scorecards reviewing the states' overall tax administration. More recently, first in 2007 with its issuance of an unclaimed property laws scorecard and in 2009 with its issuance of a property tax administrative scorecard, COST has conducted a more detailed review of administrative practices on select areas of state law. COST Studies (and those of our research arm, the State Tax Research Institute ("STRI")) are available at: http://cost.org/state-tax-resources/cost-studies-articles-and-reports/.
- ³ As used in this Scorecard, unless clearly meant to be used in a different context, the term "sales tax" includes the states' compensatory "use taxes" and also includes taxes in states that use nomenclature such as gross receipts, excise or privilege taxes that are the functional equivalent of a sales tax (*e.g.*, tax has a sale for resale provision). Alaska, Delaware, New Hampshire, Montana, and Oregon are the five states without state sales taxes. Note, however, that over 100 local governments in Alaska impose a sales tax and most of these states have state and local excise taxes on lodging, etc.
- See EY/STRI/COST "Total State and Local Business Taxes" study issued August 2017, available at: http://cost.org/globalassets/cost/state-tax-resources-pdf-pages/cost-studies-articles-reports/fy16-state-and-local-business-tax-burden-study.pdf.

¹ Karl Frieden is COST's Vice President and General Counsel and Fred Nicely is COST's Senior Tax Counsel. The authors would like to express their gratitude to Kavya Rajasekar, recipient of the 2017 Georgetown University Law Center Fellowship at COST, Sonia Shaikh, COST Research Fellow, and Gordon Yu, COST Research Fellow, for their dedicated efforts in researching and compiling the survey results used to develop this report. This scorecard was updated to reflect the *Wayfair* decision and re-released August 2018.

the tax base (other than taxing business inputs) are not part of the evaluation. Additionally, other issues such as equal statutes of limitations and interest rates that are already addressed in COST's Administrative Scorecard, while important to fair sales tax administration, are not included in this Scorecard to avoid duplicative scoring of state administrative practices.⁵ This Scorecard evaluates state sales taxes on their effectiveness in taxing personal consumption (and not business inputs), and on implementing uniform, fair, and centralized administration of their sales taxes.⁶ To accomplish these purposes, the Scorecard is divided into the following categories:

- Extent of taxation of business inputs or pyramiding of sales taxes;
- Fair sales tax administrative practices;
- Uniformity of state and local sales tax bases and centralized administration;
- OST's most recent version of its "Best and Worst of State Tax Administration Scorecard" is available at: http://cost.org/globalassets/cost/state-tax-resources-pdf-pages/cost-studies-articles-reports/ final-scorecard-in-templateupdatedbookmarked.pdf.
- ⁶ In general, the review is based on 2017 laws and regulations, with some 2018 legislative changes taken into account.

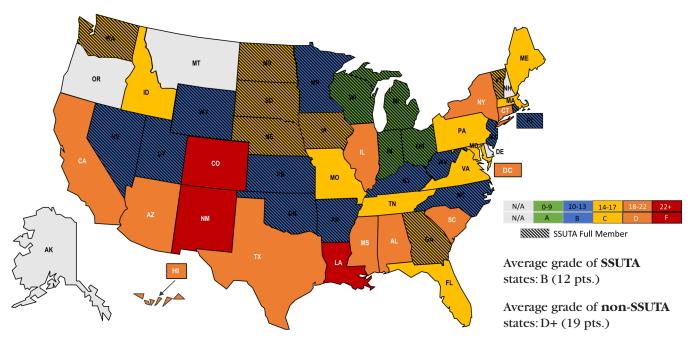
- Simplification and transparency of the sales tax;
- Reasonable tax payment and credits administration; and
- Fair audit and refund procedures.

Similar to other COST scorecards, we also include an "Other Issues" category to capture adverse state sales tax practices not directly or sufficiently covered in the above listed six categories.

Post-Wayfair Considerations

On June 21, 2018, the U.S. Supreme Court issued its opinion in *South Dakota v. Wayfair Inc.*⁷, a historic decision that overturned the "physical presence" test for determining whether a state has the authority to require a remote seller to collect sales and use tax. The Court stated the "substantial nexus" test is now whether a taxpayer has "economic or virtual" presence in the taxing state. Importantly, in that decision the Court highlighted several features of South Dakota's tax system that appear "designed to prevent discrimination against or undue burdens

States' Overall Scorecard Grades



Top-Ranked Sales Tax Administration States:

- Indiana
- Michigan
- Ohio
- Wisconsin

Bottom-Ranked Sales Tax Administration States:

- Colorado
- New Mexico
- Louisiana

⁷ South Dakota v. Wayfair, Inc., 138 S. Ct. 2080 (2018).



on interstate commerce," including membership in Streamlined Sales and Use Tax Agreement (SSUTA). As the Court noted, "This system standardizes taxes to reduce administrative and compliance costs: It requires a single, state level tax administration, uniform definitions of products and services, simplified tax rate structures, and other uniform rules. It also provides sellers access to sales tax administration software paid for by the State. Sellers who choose to use such software are immune from audit liability."

Membership in SSUTA and compliance with its requirements constitute an important part of the COST Scorecard. Indeed, it is clear from the map on the "States' Overall Scorecard Grades", that the SSUTA states (average grade of "B") do much better than the non-SSUTA states (average grade of "D+"). However, while the SSUTA requires its member states to follow certain rules that have helped simplify and make the sales tax laws more uniform among its members, there are many other non-SSUTA criteria that are central to constructing an efficient and fair modern-day sales tax system. As a result, the SSUTA items only cover about one-quarter of the categories in the Scorecard.

Separating the Top from the Bottom States

The four top states (Indiana, Michigan, Ohio and Wisconsin) share key elements of sales tax administration that separate them from other states. All are full members of the Streamlined Sales and Use Tax Agreement (SSUTA) and score high on parts of the scorecard relating to adoption of that agreement (e.g., simplification; exemption certificate administration; current database of rates and boundaries; and central administration). Three of these states (Indiana, Michigan and Ohio) earn better than average scores on the exemption of business inputs. Finally, all four states score high on fair audit and refund procedures. Conversely, the bottom three states (Colorado, Louisiana, and New Mexico) perform poorly across virtually all Scorecard categories. None of the three states are members of SSUTA. All three of these low-performing states receive worse than average scores on the exemption of business inputs. Finally, two of the three states (Colorado and Louisiana) earn poor grades on central sales tax administration.

INTRODUCTION TO COST

This Scorecard is COST's first scorecard to objectively analyze the states' state and local administration of their sales taxes. COST's membership is composed of approximately 550 companies engaged in interstate and international business that conduct business in every state. Virtually all COST members are either sellers collecting sales tax on behalf of the states, and/or are purchasers accruing sales tax due. COST members file sales tax returns in every state and the District of Columbia. COST has long supported the states' efforts via the SSUTA⁸ and federal legislative initiatives to improve the states' administration of their sales taxes.⁹

The issuance of scorecards is only one of the methods COST uses to improve overall state and local tax administration. COST also actively provides education via schools, regional meetings, workshops, and national conferences, provides comments and testimony on state and local tax legislation, and files *amicus curiae* briefs addressing important state and local tax litigation pending before the courts.

GRADING THE SALES TAX STATES

This Scorecard evaluates multiple criteria in six primary subject areas: 1) exemptions for business inputs; 2) fair sales tax administrative practices; 3) centralized administration of state and local sales taxes; 4) sales tax simplification and transparency; 5) fair tax payment and credits administration; and 6) reasonable audit and refund procedures. As indicated above, we also include an "Other Issues" category to address additional sales tax administration issues. Each of these six categories contain several subcategories. A more detailed explanation of each category and subcategory follows the Summary Grading Chart.

More information on the SSUTA is available at: http://www.stream-linedsalestax.org/. Importantly, the information the SSUTA states provide in their disclosed practices on their SSUTA taxability matrix was very helpful to evaluate those states' administrative practices.

The COST Board has adopted a policy statement on how Congress should provide certain states with remote seller collection authority, "Simplification of the Sales, Use, or Similar Transactional Tax System," is available at: http://cost.org/globalassets/cost/state-tax-resources-pdf-pages/cost-policy-positions/simplification-of-the-sales-and-use-and-similar-transaction-tax-system-2-26-13-adopted-2.pdf.

Objectivity of the Scorecard

The primary goal of the Scorecard is to provide a nationwide perspective for state tax policymakers (legislators and executive branch officials) on the best state sales tax administrative practices, and to provide a comparative measure of the fairness and efficiency of their current administrative practices to that of other sales tax states. It is our hope that this Scorecard will drive changes to ensure that sales taxes are administered more effectively, fairly, and without undue administrative burdens. For virtually all of the items evaluated in the Scorecard, there are some (or many) states that have adopted the identified "best practice." While most of the Scorecard is based on a state's sales tax laws, some subcategories, such as a revenue agency's effort to impose a tax on digital goods or access to prewritten software, address issues a state revenue agency creates when it attempts to impose a tax on products or services without clear legislative support. Thus, certain issues covered by this Scorecard can be addressed through legislative action, while other issues can be addressed through administrative action of a state's revenue agency.

It is our hope that this Scorecard will drive changes to ensure that sales taxes are administered more effectively, fairly, and without undue administrative burdens.

Scoring System

This Scorecard grades each state based on an accumulated point total which is then converted for each category into a letter grade. For each category, we award only a whole letter grade, while the final grade for a state can have a + or - added on. Points for each subcategory are based on COST's determination of the relative importance of each issue to a fair and efficient sales tax system.

Below is a brief explanation of categories and subcategories reviewed by COST, along with the points structure for each category and the resulting grade for each category. As a general matter across all categories, a greater accumulated point total corresponds to a lower letter grade.

Exemption for Business Inputs (total of 8 points)

Excessive taxation of business inputs violates the principle that consumption taxes should be imposed only on end user consumption, and not on intermediate business inputs. The following subcategories were used to evaluate a state's taxation of business inputs:

Percentage of Tax Derived from Business-to-Business Transactions ("B2B"): (two points) A state with a business share of total sales tax of more than 35 percent is assessed one point. A state with a business share of total sales tax of more than 45 percent is assessed two points. ¹⁰

Manufacturing Equipment Exemption: (two points) A state with a true integrated plant exemption is not assessed any points. A state with an exemption for equipment primarily or directly used in manufacturing is assessed one point. A state with a partial tax exemption, limited exemption (e.g., only new equipment), or no exemption is assessed two points.

Manufacturing Inputs/Materials Exemption: (one point) A state that exempts almost all materials and supplies used in the manufacturing process is not assessed any points. A state with a limitation on the inputs/material exemption (*e.g.*, must become part of the manufactured product) is assessed one point.

Service Provider Taxation on Inputs & Outputs: (three points) A state that taxes both the equipment used by wired and/or wireless service providers and which subjects those services to tax is assessed one point. A state that taxes both the equipment used by cable companies and subjects the service to tax is assessed one point. Lastly, a state that subjects the equipment used by gas and/or electric service providers and also subjects those services to tax is assessed one point.

Category Grading: 0-1 points A, 2 points B, 3-4 points C, 5-6 points D, and 7-8 points F

Fair Sales Tax Administration (total of 5 points)

Percentages are based on revised 2016/2017 EY/STRI/COST Study on the taxation of business inputs, more detailed report forthcoming in 2018. See also "What's Wrong with Taxing Business Services?" issued April 2013, available at: http://cost.org/globalassets/cost/state-tax-resources-pdf-pages/cost-studies-articles-reports/sales-taxation-of-services-and-business-inputs-study.pdf.



Excessive taxation of business inputs violates the principle that consumption taxes should be imposed only on end user consumption, and not on intermediate business inputs.

Sellers are agents that act on behalf of the states to collect the tax from purchasers and should be compensated for collecting the tax. Additionally, sellers should not have excessive burdens imposed on them when purchasers claim they are exempt from the tax. Finally, businesses that purchase products and do not know at the time of sale whether those products will be used in a taxable or exempt manner should be able to obtain direct pay permits from the state to self-accrue the tax. The following subcategories are used to evaluate the fairness of a state's sales tax administration.

Exemption/Resale Certificate: (two points) A

... sellers should not have excessive burdens imposed on them when purchasers claim they are exempt from the tax.

state that does not impose a good faith requirement upon a seller when accepting a certificate (absent fraud) up to 90 days from the date of sale, allows at least 120 days on audit to perfect a certificate, allows for the full use of the MTC or SSUTA certificate, and does not require sellers to capture/verify exemption account numbers is not assessed any points. Any state that fails one of the above criteria is assessed one point for each issue, with a maximum of two points.

Seller Compensation: (two points) A state with no seller compensation or de minimis compensation (*e.g.*, less than \$1,000 per month or \$12,000 per year) is assessed two points. A state with no local taxes that provides at least 0.5% seller compensation, or a state that has local tax jurisdictions with at least 0.75% seller compensation is assessed no points.

A state between those two thresholds is assessed one point.

Broad Direct Pay Permit: (one point) A state that does not have a broad direct pay permit issuance (*e.g.*, not limited to specific industries) and/or has a high threshold (*e.g.*, over \$1 million per year) for use of such a permit is assessed one point.

Category Grading: 0-1 points A, 2 points B, 3 points C, 4 points D, and 5 points F

Centralized Sales Tax Administration (total of 5 points)

Over two-thirds of the states allow local jurisdictions to impose a sales tax. If such local taxes are imposed, they should be reasonable and centrally administered.

Excessive Local Jurisdictions: (one point) A state with over 50 local tax jurisdictions that, based on the 2010 U.S. Census numbers has an average population-to-jurisdiction ratio of less than 20,000 people, is assessed one point.¹¹

Central Administration: (three points) A state is assessed one point if some or all local jurisdictions administer their sales tax. A state is also assessed one point if the local tax base differs from the state tax base. Lastly, a state is assessed one point if local jurisdictions can exercise other autonomy in their administration of the tax (*e.g.*, separate appeals).

Current & Historical Rate/Jurisdiction Database: (one point) A state with no local jurisdictions and no tax rate changes in the past five years is assessed no points. A state with tax rate changes in the past five years and/or has local jurisdictions that does not have a current and historical rate and jurisdictional database is assessed one point; otherwise, no points.

Category Grading: 0-1 points A, 2 points B, 3 points C, 4 points D, and 5 points F

The number of local jurisdiction data was obtained from multiple sales tax software providers. The totals were derived from the first half of 2017.

Sales Tax Simplification and Transparency (total of 5 points)

The complexity of sales and use tax administration in the U.S. – with over 10,000 state and local taxing jurisdictions and an expanding internet-based economy – places a premium on efforts such as the SSUTA to make sales tax administration simpler and more uniform while still preserving autonomy to tax (or not tax) certain defined products. It is certainly the prerogative of states to tax the new digital economy, but if they choose to do so it should be through clear legislative authority and not by administrative fiat. Finally, sellers and purchasers should also be able to rely on written documentation provided by a state's revenue agency.

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SSUTA State: (two points) A full member SSUTA state in compliance with the SSUTA is assessed no points. A SSUTA state not in full compliance is assessed one point. All other states are assessed two points. Note, a state in full compliance with the SSUTA also benefits in other areas of this Scorecard (*e.g.*, exemption certificate administration, current database, and aspects of central administration).

Digital Goods/Merely Accessing Software Transparency: (two points) A state revenue agency that is asserting digital goods/products are subject to tax without clear legislative support is assessed one point. Additionally, a state that is asserting that mere electronic access to prewritten software is subject to tax without clear legislative support is assessed one point.

Liability Relief: (one point) A state that does not provide broad liability relief for sellers and purchasers relying on written authoritative guidance is assessed one point.

Category Grading: 0-1 points A, 2 points B, 3 points C, 4 points D, and 5 points F

Reasonable Tax Payment and Tax Credit Administration (total of 7 points)

The sales tax states should implement reasonable payment procedures and provide full credit for taxes first imposed and legally paid to another state.

Advance Payments: (two points) A state that requires no advance payments before the sales tax return due date is assessed no points. A state that has only one advance payment before the sales tax return date is assessed one point, including states that only require the advance payment once a year. A state that requires more than one advance payment per month is assessed two points.

Credit for Sales Tax Paid to Other States: (two points) A state that limits its credit paid to another jurisdiction to tax imposed under its use tax (*i.e.*, no credit if the state revenue agency asserts its sales tax is being imposed) is assessed one point. In addition, a state that limits how it applies the credit (*e.g.*, credit for state tax only or credit limited to state-to-state and local-to-local taxes) is assessed one point.

Periodic Lease Treatment: (two points) A state that accelerates certain types of periodic lease payments (*e.g.*, motor vehicles) and/or continues to tax certain types of periodic leases when the product purchased for the entire lease payment is not located in that state (*e.g.*, continued use of origin-based sourcing) is assessed one point. A state that does not give full credit to states using such a periodic lease payment structure is also assessed one point.

Bad Debt Application to Private-Label Credit Cards: (one point) A state with a bad debt provision that does not also apply to private-label credit cards is assessed one point.

Category Grading: 0-1 points A, 2 points B, 3-4 points C, 5 points D, and 6-7 points F



Fair Audit and Refund Procedures (total of 4 points)

The state should have a written mechanism to provide purchasers the ability to claim a refund without having to go through a seller. Additionally, the state revenue agency, and not private and/or contingent fee auditors/litigants, should be auditing and/or asserting sellers have under or over collected tax. These responsibilities should not be undermined by allowing non-revenue agency actors to assert actions through false claims act or class action lawsuits.

Written Process for Purchaser to Claim Refund Directly from State: (one point) A state that does not have a written process (policy and/or law) allowing purchasers to claim a refund directly from the state revenue agency is assessed one point.

No False Claims Act or Class Action Suits: (two points) A state that allows false claims acts (*e.g.*, qui tam actions) to apply to state and local sales taxes is assessed one point, as is a state that allows class action suits to apply to such taxes.

No Private or Contingent Fee Auditing: (one point) A state that currently uses private and/or contingent fee auditors is assessed one point.

Category Grading: 0 points A, 1 point B, 2 points C, 3 points D, and 4 points F

... the state revenue agency, and not private and/or contingent fee auditors/litigants, should be auditing and/or asserting sellers have under or over collected tax.

Total Points - Summary of Grading

The ultimate grade a state receives is based on the total number of points awarded for all subcategory items and "other issues." It is not based on grades received for each individual category. The following is the grading by overall points:

A = 0 to 5 points;

A = 6 to 9 points;

B+ = 10 points;

B = 11 to 12 points;

B- = 13 points;

C + = 14 points;

C = 15 to 16 points;

C = 17 points;

D+ = 18 to 20 points;

D = 21 to 22 points; and

F = over 22 points.

Summary Grading Chart

State	Exempt B2B	Fair Admin	Central Admin	Simple & Trans.	Reasonable Payment	Fair Audits	Other Issues	Total Points	Grade
41.1	8 pts	5 pts	5 pts	5 pts	7 pts	4 pts	0	22	D
Alabama	5	5	4	4	3	1	0	22	D
Alaska	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Arizona	3	4	2	4	5	1	0	19	D+
Arkansas	6	1	2	0	4	0	0	13	B-
California	6	5	1	2	4	0	0	18	D+
Colorado	7	3	5	4	4	1	1	25	F
Connecticut	7	4	0	5	2	1	0	19	D+
Delaware	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
D.C.	4	5	1	4	3	0	1	18	D+
Florida	7	4	1	3	1	2	0	18	D+
Georgia	3	4	1	1	3	1	1	14	C+
Hawaii	7	5	1	3	1	2	1	20	D+
Idaho	2	4	2	3	1	2	0	14	C+
Illinois	4	2	4	3	6	2	1	22	D
Indiana	2	1	0	0	3	0	1	7	A-
Iowa	5	2	2	1	6	0	0	16	С
Kansas	4	3	3	0	3	0	0	13	В-
Kentucky	7	3	0	0	2	1	0	13	B-
Louisiana	6	4	5	4	2	2	1	24	F
Maine	3	5	0	3	3	1	0	15	С
Maryland	5	5	0	3	3	0	0	16	С
Massachusetts	5	4	0	3	3	0	1	16	С
Michigan	3	1	0	0	2	1	0	7	A-
Minnesota	3	3	1	1	4	1	0	13	B-
Mississippi	7	5	1	3	4	2	0	22	D
Missouri	2	2	2	3	4	1	0	14	C+
Montana	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Nebraska	6	2	2	11/ a	2	0	0	13	В-
Nevada	5	2	1	0	3	2	0	13	B-
New Hampshire	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
•	3	2	0	11/4	6	0	0	12	В
New Jersey	8		2	4					F
New Mexico		5	-		3	1	0	23	
New York	3	4	2	4	5	2	0	20	D+
North Carolina	3	3	0	0	4	2	0	12	В
North Dakota	6	2	2	0	3	1	1	15	С
Ohio	3	0	0	0	4	0	1	8	A-
Oklahoma	3	2	2	0	4	1	0	12	В
Oregon	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pennsylvania	5	4	1	3	3	0	1	17	C-
Rhode Island	5	3	0	0	3	0	0	11	В
South Carolina	4	4	3	5	2	0	0	18	D+
South Dakota	7	3	1	0	3	1	0	15	С
Tennessee	4	4	2	2	2	1	0	15	C
Texas	6	3	3	4	1	2	0	19	D+
Utah	6	1	1	0	2	1	0	11	В
Vermont	6	2	2	1	3	0	0	14	C+
Virginia	4	5	2	2	3	0	0	16	С
Washington	5	3	1	1	3	1	0	14	C+
West Virginia	2	3	1	0	3	1	0	10	B+
Wisconsin	5	1	1	0	1	0	0	8	A-
Wyoming	6	3	0	0	3	1	0	13	B-

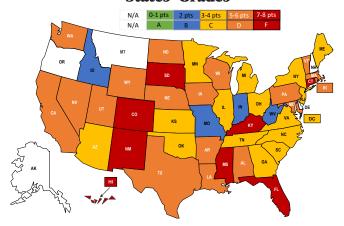


DETAILS OF SALES TAX ADMINISTRATION CATEGORIES

There are many metrics that can be used to evaluate the states' sales tax administration systems. In developing this initial scorecard, COST has focused on six categories that reflect a broad spectrum of fair, efficient and uniform sales tax administration rules. While these categories overlap in part with the rules adopted by the member states of the Streamlined Sales and Use Tax Agreement, they encompass a number of additional criteria that define optimal sales tax administration.

Exemption for Business Inputs

Exemption for Business Inputs - States' Grades

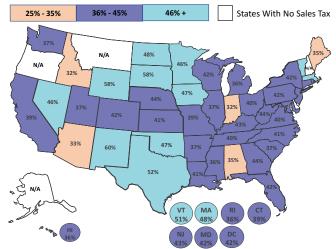


While economists generally agree that the ideal sales tax system would tax final personal consumption and not tax any business-to-business transactions, U.S. state and local sales tax systems completely violate this principle. States collect, on average, 42% of their total sales tax revenue from business inputs. Not a single state has a business share of sales tax lower than Indiana at 31.8%. New Mexico has the highest business input share of sales taxes at 60.4%. The ramifications from taxing business inputs are significant, including inefficient tax "pyramiding," a lack of transparency, higher consumer prices, and/or reduced economic activity (which can result in lower employment and/or wages).

States collect, on average, 42% of their total sales tax revenue from business inputs.

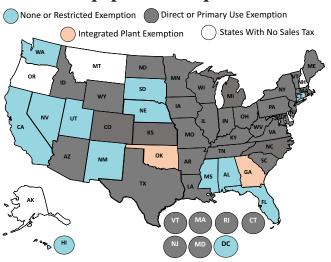
State and Local Sales Taxes Imposed on Business Inputs

Business Inputs Share of Total Sales Tax Collected



One key item for manufacturers is how a state imposes its sales tax on manufacturing operations occurring in a state. Manufactured products are ultimately resold, so the equipment, supplies and materials consumed in a manufacturing operation should all be exempt from a state's sales tax.¹³ Georgia does this well, as its exemption covers the entire facility under an "integrated plant" theory. Conversely, states like New Mexico, which offers no equipment exemption, and Kentucky, which limits the inputs exemption to raw materials that become an ingredient or component part of the manufactured product, score poorly in this category. Utah recently passed legislation (2018 UT S.233) which broadens its manufacturing exemption; however, it will not be effective until the state collects more revenue from remote sellers.

Breadth of States' Manufacturing Equipment Exemptions

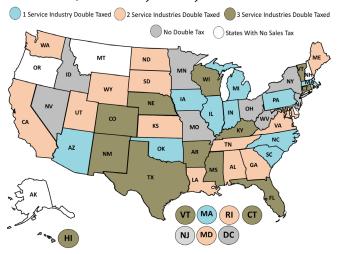


Most states require any manufactured products not sold and used by the manufacturer in providing services to others to self-remit the tax on those products (which should also be exempt if the service is taxable).

¹² See footnote 10. Of the \$363 billion paid in sales taxes in FY 2016, \$153.9 billion was collected from business.

Additionally, the Scorecard looks at several service industries and evaluates whether a state is double taxing both the production end of providing a service (*i.e.*, the equipment) and the consumption end (*i.e.* the sale to end-user consumers). Idaho scores well in this category, as its service industries are taxed at the production end, but services are not taxed to the consumer. On the other hand, states like Texas and Florida double tax their service industries and thus score poorly. Manufacturing and the double taxation of service providers is by no means an exhaustive list of business-to-business transaction tax concerns.

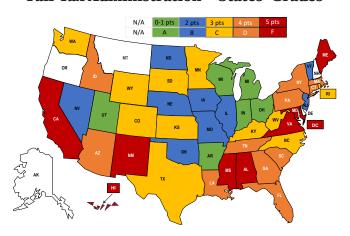
Double Taxation of Select Service Providers:Wired/Wireless, Cable, Electric + Gas



Inefficiencies created when a state taxes certain products or services that are almost exclusively business-to-business transactions (*e.g.*, employment services, data processing services, etc.) are not addressed in this initial Scorecard; however, they may be addressed in future versions.

Fair Sales Tax Administration

Fair Tax Administration - States' Grades



Absent a seller committing fraud, states affording exemptions to purchasers should audit the purchasers to determine whether their purchases are exempt from a state's sales tax, and not impose a "good faith" requirement on sellers.

With 45 individual states (and the District of Columbia) imposing their own versions of a sales tax, both sellers and purchasers can be burdened with numerous unfair administrative practices. One way to improve the administration of a state's sales tax is not to burden sellers with the task of policing whether purchased items are not subject to the state's tax under a purchaser exemption or exclusion. Absent a seller committing fraud, states affording exemptions to purchasers should audit the purchasers to determine whether their purchases are exempt from a state's sales tax, and not impose a "good faith" requirement on sellers.

Good Faith Requirement



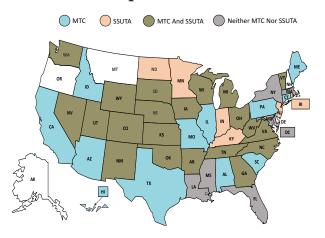
A seller should only be required to obtain and retain completed exemption/resale certificates. States should also allow sellers to use either the MTC uniform exemption certificate¹⁴ or the SSUTA exemption certificate.¹⁵ Lastly, when auditing a seller and

¹⁴ See http://www.mtc.gov/Resources/Uniform-Sales-Use-Tax-Exemption-Certificate

See http://www.streamlinedsalestax.org/uploads/downloads/Forms/F0003%20Fill%20in%20Exemption%20Certificate%20Form_9_18_09.pdf.

determining an exemption certificate is not complete, a state should allow sellers at least 120 days to capture and obtain information from its purchasers to demonstrate the sales were exempt from tax. Ohio does well in this category because it doesn't require a "good faith" standard when accepting exemption certificates, allows sellers 120 days to obtain valid certificates on audit, allows use of MTC and SSUTA certification, and does not require sellers to verify exemption account numbers. Maryland, on the other hand, scores poorly because it requires good faith, allows sellers only 60 days to obtain valid certificates on audit, allows only a limited use of MTC and SSUTA certificates, and requires sellers to capture and verify account numbers. Unfortunately, D.C. has backtracked and no longer allows sellers to accept the MTC certificate from purchasers.

Exemption Certificates



States should also provide compensation to vendors for the collection and remittance of sales taxes. For purposes of this Scorecard, COST uses a 0.5% compensation threshold for single rate states and a 0.75% threshold for states with local jurisdictions. These thresholds are primarily based on a former Streamlined Sales and Use Tax Agreement provision that generally calls for states to provide compensation at that level. 16 This level of compensation is still far below the level identified in a study compiled by PricewaterhouseCoopers in 2006 for the Streamlined Sales Tax Governing Board that noted sellers under \$1 million had average compliance costs of 13.47%, sellers from \$1 million to \$10 million averaged compliance costs of 5.2% and sellers over \$10 million incurred compliance costs of 2.17%, with a

¹⁶ See former Section 608 of the Streamlined Sales and Use Tax Agreement.

As forced collection agents for the state, it is inequitable for a state to not reimburse sellers for more of their costs to collect and remit state and local sales taxes.

weighted average for all sellers of 3.09%.¹⁷ As forced collection agents for the state, it is inequitable for a state to not reimburse sellers for more of their costs to collect and remit state and local sales taxes. States such as Massachusetts and Minnesota score poorly in this category because they offer no vendor compensation. Conversely, Colorado scores well in this category because it offers uncapped vendor compensation at 3.33% of the state tax due.

Vendor Compensation



Lastly, states should provide a broad direct pay provision that allows business purchasers to acquire property or services without paying the sales tax to a seller when the taxability of a product is unknown by the purchaser because it could be used in a taxable or non-taxable manner. Such a provision is economically necessary for many businesses and it often makes audits of such purchasers easier for the state. While states may choose a reasonable threshold for purchases before granting a direct pay permit, blanket exclusions preventing certain industries from obtaining such a permit or an excessive threshold reflects poor sales tax administration. South Carolina does well in

The PwC 2006 "Retail Sales Tax Compliance Costs" study is available at: http://www.streamlinedsalestax.org/uploads/downloads/JCCS_Part_I_Final_Report_Vol_I_20060407.pdf.

this category because it has a broad-based direct pay provision, while the District of Columbia does poorly because it does not allow direct pay permits.



Centralized Sales Tax Administration

One of the biggest burdens on sellers is the wide divergence among states in tax bases, taxable product definitions, and the rules and administrative procedures for collection and remittance. This task is compounded by those states that allow their local taxing jurisdictions to use a different tax base, separately administer the tax, and/or have a multitude of local jurisdictions.

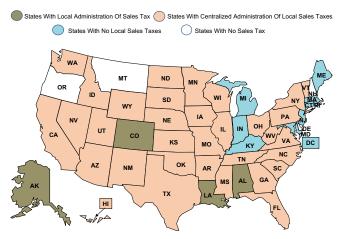
Centralized Administration - States' Grades



Because zip codes rarely follow local sales tax jurisdictional boundaries, all states with local sales tax jurisdictions inherently make compliance more difficult for sellers and purchasers.

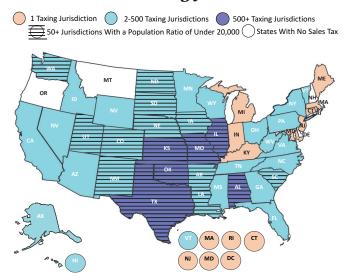
... all states with local sales tax jurisdictions inherently make compliance more difficult for sellers and purchasers.

States with Local Sales Tax Jurisdictions



Further, an excessive number of jurisdictions relative to a state's population creates more chances for errors with diminishing benefits for a state's local governments. Any state with over 50 local jurisdictions and a population ratio averaging less than 20,000 people per jurisdiction on average was used as the threshold for determining where any benefit of local taxes is outweighed by the overall cost imposed on taxpayers. Oklahoma fares poorly in this category because it has 629 local sales tax jurisdictions with a population ratio of 5,946. On the other hand, Connecticut and Rhode Island have no local sales tax jurisdictions at all. It is also critical for efficient administration that the state administer all local sales taxes, including all audits, appeals, payments, refunds, exemptions, etc. The tax base at the local jurisdiction level also should not differ from the state's tax base.

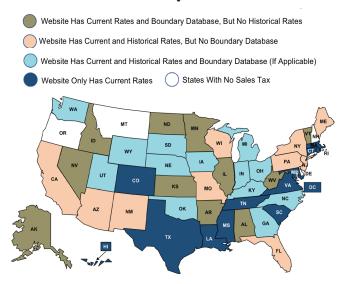
Number of Taxing Jurisdictions





Lastly, any state that enacted a tax change in the past five years at the state and/or local level should provide notice of the different tax rates, including the effective date of the rate change(s), on their revenue agency's website. And, if the state has local jurisdictions, a current tax rate and boundary database is needed.

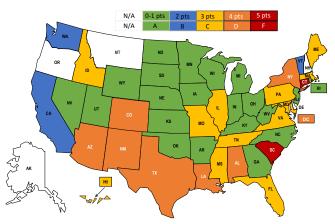
Website with Boundary Database and Rates



A state should also provide full liability relief to sellers relying on a state's rate and boundary database. Tennessee does not do well in this category because while its website has current tax rates, it does not provide historical tax rates or a boundary database. Other states, like Georgia and North Carolina, populate their websites with current rates, historical rates, and a boundary database.

Simplification and Transparency

Simplification and Transparency
- States' Grades



Presently, twenty-four states are active members of the SSUTA, a process that began over seventeen years ago. These states have committed themselves to working with other states and the business community to ease the burdens imposed on sellers to collect the states' sales taxes. The Agreement is a living document—it has been amended at practically every meeting of the Governing Board to address issues raised by the states and the business community.

... transparent administration of the states' sales taxes is vital to the fair administration of the tax.

Unfortunately, the largest sales tax states, including California, Texas, New York, Illinois, and Florida, have not joined the SSUTA. Indeed, while more than one-half of all states with sales taxes are members of SSUTA, by population, nearly two-thirds of the U.S. population live in states that are not members of SSUTA. Thus, businesses in these states do not benefit from the extensive uniformity and simplification contained in the 100+ pages of SSUTA language.

Streamlined Sales Tax States

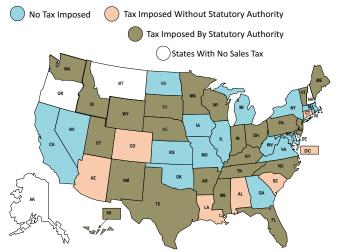


Besides a commitment to work together on uniformity issues, transparent administration of the states' sales taxes is vital to the fair administration of the tax. This means that taxes should be administered based on clear legislative authority and not guidance issued by a revenue agency expressing its position on the law. E-commerce raises unique tax issues and some states' tax agencies, unfortunately, have attempted to fill in the legal gaps without having full legislative support for taxing items such as digital goods or merely

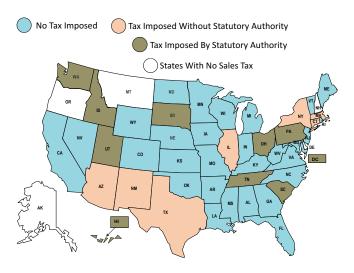
While COST does not take a position in support or opposition to a state legislature's decisions on the breadth of its tax base (other than opposing the taxation of business inputs), the determination of taxable goods and services must be done with clear legislative authority.

electronically accessing pre-written software. While COST does not take a position in support or opposition to a state legislature's decisions on the breadth of its tax base (other than opposing the taxation of business inputs), the determination of taxable goods and services must be done with clear legislative authority. Failure to do so adds significant uncertainty, makes the state a less attractive place to do business, and unnecessarily subjects sellers to risk for collecting (or not collecting) tax. For example, South Dakota does well in this category because although it imposes a tax on both digital products and on mere access to pre-written software, it does so via clear statutory authority. Conversely, states like Arizona, which imposes tax via DOR ruling, do not do well in this category. Some states with issues in this area, such as Arizona, have legislation pending to fix this issue. Indiana recently passed legislation in March 2018 to fix this issue. Hopefully, these states and other states lacking clear legislative guidance in this area will legislatively fix this issue in the near future.

Taxation of Digital Goods



Taxation of a Person Merely Accessing Pre-Written Software



Another important transparency criterion is assuring that both sellers and customers can rely on written guidance provided by a state tax agency. This relief should be broad and not confined to limited types of written guidance. Several states do poorly in this category because they offer very limited liability relief to sellers or purchasers relying on DOR guidance. Meanwhile, California scores well because it offers liability relief to sellers and purchasers relying on California Department of Tax and Fee Administration (CDTFA) guidance.

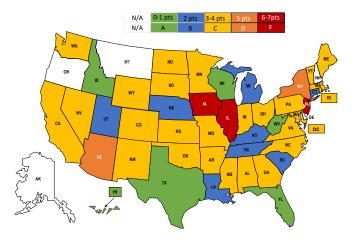
Tax Liability Relief for Sellers Relying on Guidance





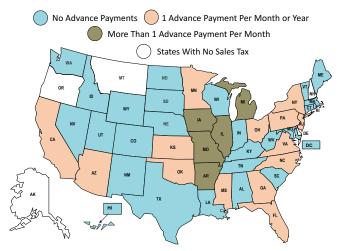
Reasonable Tax Payment Administration

Reasonable Tax Payment Procedure - States' Grades



The timing of a seller's remittances is a key issue for fair tax payment administration. Some states require the tax to be paid in advance of the return, while other states require multiple advance payments. It is much more efficient for sellers to make just one payment per filing period when they file tax returns because it eliminates "guesstimates" and also allows the bulk of purchasers' returns to be adjusted on the sellers' tax returns for taxes the sellers refunded to purchasers. States like Washington and Indiana do not require advance payments and thus do well in this category. On the other hand, states like Michigan and New Jersey require sellers to make multiple advance payments.

Advance Payments



Another growing problem is that some states are improperly asserting they are imposing a "sales tax" and not a "use tax" on some transactions. While this usually does not create an issue if the tax rates are the same, some states locate their credit for purchasers who paid tax on a product to another state in their "use tax" section of the law. Thus, if the state's revenue agency asserts it is imposing its sales tax, there is no credit allowed in that situation. This Scorecard takes no position on the adequacy of reciprocity provisions; however, this issue may be evaluated in the future if it prevents purchasers from obtaining full credit for tax legally due and paid to another state.

Tax Credit Against Sales and Use Tax



Another issue is that some states limit credits to just the state's sales tax if they have no local taxes, or they limit credit for taxes paid at the state level but not those at the local level. While this type of limitation itself is administratively unfair, it also raises constitutional issues regarding fair apportionment and

Even more troubling is recent lobbying for states to enact "real-time remittance" by requiring credit card processors to remit the tax on credit/debit transactions. The myriad of problems with that approach is addressed in COST's Policy Statement "Daily Sales Tax Remittance" available at: http://cost.org/globalassets/cost/state-tax-resources-pdf-pages/cost-policy-positions/daily-sales-tax-remittance-policy-statement—draft-for-approval.pdf.

internal consistency under the Commerce Clause.¹⁹ Florida does well in this category because its credit is not limited to use tax and it gives full credit for other states' state and local taxes. Conversely, Arizona does poorly because its credit is limited to use tax and it does not provide credit for other states' local taxes.

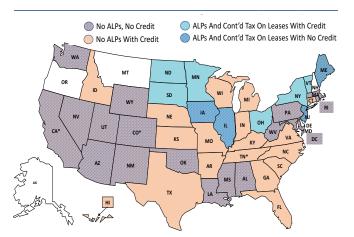
Full Credit For Other States' State & Local Sales and Use Taxes



Another concern is the different methods that states use to impose their sales taxes, particularly relating to the taxation of leases (and to high-price items such as motor vehicles). COST believes the best approach for the imposition of periodic lease payments is for the tax to be imposed on each payment based on where the leased property was primarily located when the periodic lease payment was made. For example, Arkansas has no accelerated lease payments. Unfortunately, several states, like Iowa and New York, impose their sales tax on the total periodic lease payments upfront or they continue to tax periodic leased property even though the property is no longer located in that state. Compounding the problem, several state tax agencies assert they will not (or legally cannot) provide credit for the sales tax paid to another state in that situation. Unfortunately, this problem exists for member states of the SSUTA and non-member states alike, and much more uniformity is needed.20

Accelerated Lease Payments (ALPs)

... the best approach for the imposition of periodic lease payments is for the tax to be imposed on each payment based on where the leased property was primarily located when the periodic lease payment was made.



Finally, state treatment of bad debts is invariably distorted because sellers that issue private-label credit cards are generally denied a bad-debt deduction on such cards. The clear purpose of the bad debt deduction is for sellers to recoup taxes paid to the state that subsequently are not recovered from consumers due to non-payment. Private-label credit cards dominate over retailer-issued credit cards based on advantages afforded to both retailers and financial institutions. Despite similarities between private-label credit cards and retailer-issued credit cards, the tax consequence of obtaining a bad-debt deduction often differ.²¹ Pennsylvania scores well because its bad debt deduction provision applies to private-label credit cards. Maine scores poorly because its bad debt deduction does not apply to private-label credit cards.

¹⁹ See Comptroller of the Treasury of Maryland v. Wynne, 135 S.Ct. 1787 (2015) and Matkovich v. CSX Transportation, 793 S.E.2d 888 (W.Va. 2016); cert. denied Steager v. CSX Transp., Inc., No. 16-1251 (2017).

Althought not addressed in this Scorecard, there are also issues with states imposing their sales tax on motor vehicles that will be titled in another state based on the lower of the taxing state's tax rate or the state where the vehicle will be titled.

See William F. Fox, "Sales Tax Policy Considerations for Private Label Credit Card Defaults" (State Tax Research Institute; 2015) for more detail. Available at: http://cost.org/globalassets/cost/state-tax-resources-pdf-pages/cost-studies-articles-reports/sales-tax-policy-considerations-for-private-label-credit-card-defaults.pdf.



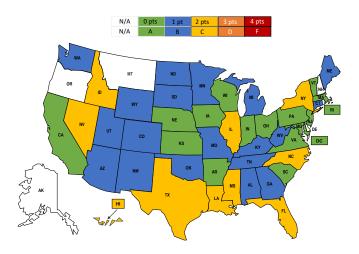
Bad Debt Deduction



Allowing a bad-debt provision for private-label cards is a necessary because it ensures that the states' sales tax bad-debt provisions are applied in a fair and neutral manner irrespective of the type of credit card used.

Fair Audit and Refund Procedures

Fair Refund/Audit Procedures
- States' Grades

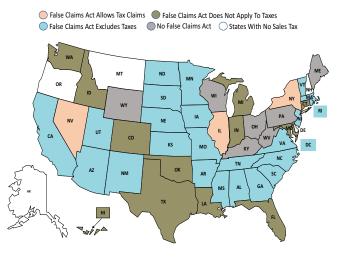


Sellers and purchasers need fair refund procedures to level the playing field between overpayments and underpayments. A state should provide a written process (e.g., a law, regulation, and/or assignment provision) that allows a purchaser to obtain a refund directly from the state in situations where a seller is unwilling or unable to file a refund on behalf of a purchaser. For example, in Nebraska, purchasers can fill out a form to obtain refunds from the state without contacting the seller. Conversely, in Florida, there is no written process for purchasers to obtain refunds directly from the state. State revenue agen-

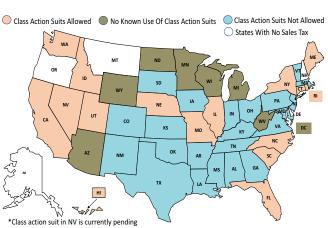
Illinois is a posterchild of what can go wrong when a state allows both false claims act lawsuits and class action lawsuits instituted by third-party relators.

cies should also be the only entity authorized to audit taxpayers. False claims acts seeking additional tax due, or class action suits seeking refunds by third-party litigants are inappropriate. Illinois is a posterchild of what can go wrong when a state allows both false claims act lawsuits and class action lawsuits instituted by third-party relators.

False Claims Act

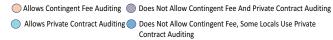


Class Action Suits



Lastly, a state revenue agency should use its own auditors that are directly trained and controlled by the agency. Contingent fee auditing places too much incentive on maximizing the auditor's fee to the detriment of determining the correct amount of tax owed. Similarly, private contract auditing suffers from inconsistencies and the lack of direct control by the revenue agency. While a state was not penalized for the absence of a law prohibiting the use of private and contingent fee auditors, such states are strongly encouraged to enact a law that clearly prohibits the use of these types of audits. Both North Carolina and Virginia have prohibited contingent fee and private-contract auditing.

Contingent Fee/Private Auditing





Other Issues

Certain state tax administration issues do not fit in a specific category or are unique to one or just a few states. One such issue is the burdensome requirement of including corporate officers' social security numbers and/or home addresses on each tax return filed with the state. While this information is useful in situations where a company is insolvent, this is a rare instance and other sources of information are available to the tax agencies to obtain this information as needed. Another issue noted in several states (such as Georgia) is to administratively deny direct pay permit holders interest on overpayments of the tax. These issues are highlighted on the scorecard because they impact fair and efficient sales tax administration. Each issue is assigned one point.

SSN and Other Issues





SCORECARD QUESTIONS AS INITIALLY PRESENTED TO TAXPAYERS, PRACTITIONERS & GOVERNMENT OFFICIALS²²

The questions initially provided to taxpayers, practitioners, and government officials to evaluate each jurisdiction are provided below.²³

Intermediate Transactions/ Business Inputs

- 1. Does the state have an independent tax appeal forum possessing the following elements: the forum is truly independent; the forum is dedicated to handling tax disputes; the forum's judges possess requisite tax expertise; and the forum establishes the record for further appeal?
- 2. Does the state have a manufacturing equipment exemption?
- 3. Does the exemption cover the entire facility (integrated plant); or provide a more limited exemption (*e.g.*, only equipment used directly in manufacturing)?
- 4. Does the state have a manufacturing inputs exemption?
- 5. Does the state have an exemption that applies to the purchase of equipment by the following service providers?
 - a. Wired and Wireless Telecommunication Service Providers: Are the services themselves subject to a sales tax or other excise tax when sold to an end use consumer?
 - b. *Cable Service Providers:* Are any of the above services subject to a sales tax or other excise tax when sold to an end-use consumer?
 - c. *Electric and Gas Products/Services:* Are sales of electricity and gas themselves subject to a sales tax or other excise tax when sold to an end use consumer?

State Sales Tax Administration

- 1. Does the state have local sales tax jurisdictions; and, if so, approximately how many local sales tax jurisdictions are there?
 - a. If yes, is the local sales and use tax centrally administered?
 - b. If yes, do all the local sales tax jurisdictions have to use the same tax base as the state?
- 2. Does the state impose a "good faith" requirement on sellers accepting exemption certificates (*e.g.*, the seller can be held responsible for determining whether a purchaser qualifies for an exemption even if the exemption certificate is properly completed)?
- 3. Does the state allow a seller at least 120 days during an audit to obtain valid exemption certificates (please provide number of days)?
- 4. Can multistate exemption certificates (MTC and SSUTA) be used to claim an exemption?
- 5. Are sellers required to capture and verify exemption account numbers?
- 6. Does the state provide vendor compensation to some or all sellers?
- 7. Does the state have a broad-based direct pay provision (*i.e.*, not limited to certain types of manufacturers)?

This Scorecard could not have been completed without the assistance of the state tax administrators and practitioners that responded to our questionnaires. The uncompensated time they put into reviewing our analysis of each state's sales tax law and providing us with feedback is deeply appreciated. Additionally, COST members provided comments to finalize this Scorecard.

²³ Note, not all the questions were used in the final version of this Scorecard.

Local Sales Tax Administration

- 1. Does the tax agency website have a central location where taxpayers can access sales/use tax laws, current regulations, information releases, forms, and explanations of how the sales/use is applied?
- 2. Does the state provide both current and historical tax rate and boundary database on its website in a format that can be uploaded for use by sellers in their POS systems?
- 3. Does the state provide broad liability relief to sellers and purchasers when they rely on tax agency's guidance, including the rate and boundary database?

Simplification and Transparency

- 1. Is the state a full member of the Streamlined Sales and Use Tax Agreement?
- 2. Does the state impose a tax on digital products (*i.e.*, digital audio, video and books)?
 - a. If yes, is the tax on digital products based on the products categorization as a service or some other express reference?
 - b. If yes, is the tax on digital products based on the enactment of a specific law to tax such products (not administrative position)?
- 3. Does the state impose a tax on a person merely accessing (no delivery) of pre-written computer software?
 - a. If yes, is the tax imposed based on the access to software's categorization as a service or some other express reference?
 - b. If yes, is it based on the enactment of a specific law to tax such software (not administrative position)?

Tax Payment Administration

- 1. Does the state allow taxpayers to remit the tax using ACH debit and credit?
- 2. Does the state require sellers to make accelerated payments (*e.g.*, payments of the tax prior to the due date of the return)?
 - a. If so, when are the payments required to be made?

- 3. Does the state provide credit for sales, use, and similar taxes (*e.g.*, motor vehicle excise tax) imposed by another state?
- 4. Is the credit for another state's tax allowed regardless of whether your state is imposing its sales tax or use tax?
- 5. Does the state allow a full credit for other states' state, local and similar taxes (*e.g.*, not limited to state-to-state or local-to-local taxes)?
- 6. Does the credit against sales tax paid include tax paid to another state on accelerated lease payments (e.g., sales tax must be paid upfront for all lease payments)?
- 7. Does the state have a bad debt provision?
 - a. If so, does it apply to private-label credit cards?
- 8. Are officers' SSNs and/or home addresses required on registration forms or returns?

Audit and Refund Procedures

- 1. Does the state have a written policy that clearly allows taxpayers to use sampling to the same extent the tax agency can use it?
- 2. Does the state prohibit the use of both private-contract auditing and contingent fee auditing?
- 3. Does the state allow sales/use tax assessments to be offset by sales/use tax refunds?
- 4. Does the state have a written process that allows purchasers to obtain refunds from the state without going through the seller?
- 5. Does the state preclude or have a process that curtails the application of a false claims act?
- 6. Does the state preclude or have a process that curtails the application of class action lawsuits to sales and use taxes?

SCORECARD DETAIL BY STATE

		ALABAMA				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 35%.	"Good faith" req. imposed	902 local tax	Not a SSUTA member.	No advance payments.	Eff. March 2018,	
	when accepting certs. AAC	jurisdictions (ratio of			purchasers can	
Mfg. equip. is taxable w/ reduced 1.5%	<i>r.810-6-502(13)</i> ; no rule	5,184).	Tax imposed w/	Credit limited to use	obtain refunds	
rate. Some local rates also reduced. AC	allowing sellers at least 120		out clear statutory	tax. AC ∫ 40-23-65. Full	from state without	
$\int 40-23-2(3)$. Mfg. exemption is limited	days to obtain valid certs.	Some central admin.,	authority on digital	credit for other states'	going through the	
to machinery, parts, and attachments used	on audit.	but not all local	products.	state and local taxes.	seller.	
in mfg.		jurisdictions. In		AAC r.810-6-504.	AC ∫ 2018-130,	
	MTC exemption certs. may	addition, some locals	According to DOR,		AC ∫ r. 40-24-7.	
Mfg. inputs exemption limited to	be used.	don't use the state	no tax imposed on	No accel. lease		
materials that become an ingredient or		appeals process. AC	a person merely	payments. No credit	False claims act	
component part. AC ∫ 40-23-1(a)(10);	Sellers must capture/	\$\int 11-3-11.2(a), 11-	accessing pre-written	against other states'	excludes tax	
<i>AC</i> ∫ 40-23-60(5).	verify exemption account	<i>51-200 et seq.</i> Some	computer software.	tax on accel. lease	claims.	
	numbers. AAC r.810-6-410.	local tax jurisdictions		payments. AC J 40-27-		
Wired and wireless equip.: taxable, w/		have different tax base	Limited liability relief	1, Art. V.	Class action suits	
reduced rate of 1.5%, depending on use.	Vendor comp.: 5% of the	(e.g., back-to-school	to sellers or purchasers		not allowed.	
AC \$\iiii 40-23-2(3), -61(b); AAC r.810-6-5-	first \$100 tax due, and 2% of	tax holidays and food).	relying on DOR	Bad debt deduction	Patterson v.	
.36.01(4). Both services are also taxed at	remaining tax due (capped	<i>AC</i> ∫ 11-51-201(a).	guidance.	does not apply to	Gladwin Corp.,	
consumer level. $AC \int \int \int 40-21-82(b)$, -121.	at \$400 per month). AC ∫			private-label credit	835 So. 2d 137	
	40-23-36;AAC r.810-6-403.	Website has current		cards. Wells Fargo Fin.,	(Ala. 2002).	
Cable equip.: taxable, however		and historical tax		19 So.3d 892 (Ala. Civ.		
broadcasting equip. has reduced 1.5%	Direct pay limited to certain	rates and boundary		App. 2008).	Contingent	
rate. AAC r.810-6-298, 810-6-104(2).	vendors, includes mfg.,	database. http://			fee auditing is	
Cable is not taxed at consumer level.	transportation company, and	revenue.alabama.			prohibited. Some	
$AC \int 40-23-1(a)(6).$	mining. AC \$\infty 40-23-31; AAC	gov/salestax/			locals use private-	
	r.810-6-414.	staterates.cfm.			contract auditing.	
Electric and gas products/services:					AC ∫ 40-2A-6.	
taxable, w/reduced rate. AAC r.810-6-2-						
.101. Electricity and gas is taxed at the						
consumer level. AC § 40-21-82.						

ALASKA – Not Applicable

		ARIZONA				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 33%.	"Good faith" req. imposed	116 local sales tax	Not a full SSUTA mem-	Sellers owing over \$1M	Purchasers can ob-	
	when accepting certs. ARS	jurisdictions (ratio of	ber but participates in	per year must make	tain refunds from	
Mfg. equip. exemption limited to M&E di-	<i>∫</i> 42-5009(A); no rule	55,104).	SLAC.	an advance payment	state w/out going	
rectly used in mfg. <i>ARS</i> ∫ 42-5159(B)(1).	allowing sellers at least 120			each June. ARS ∫ 42-	through the seller.	
	days to obtain valid certs.	Eff. 1/1/17, central ad-	Tax imposed w/out	5014(D).	AAC R42-1118(E).	
Mfg. inputs exemption limited to TPP di-	on audit.	min. of the local taxes.	clear statutory author-			
rectly entering (physically incorporated)		ARS J 42-6001(A).	ity on digital products.	Credit limited to use	False claims act	
into products. ARS \$\int 42-5159(A)(4); AAC	Limited use of MTC exemp-	Each municipality	AAC R15-5-154(B).	tax. ARS J 42-5159(2).	excludes tax	
R15-5-122.	tion certs. for resale (other-	determines its tax		Does not provide	claims.	
	wise, it may not be accepted	base but must post	Tax imposed w/out	credit for other states'		
Wired and wireless equip.: exempt. ARS J	as an exemption cert.).	changes in the Model	clear statutory author-	local taxes. ARS ∫ 42-	No known use of	
42-5064(B)(3). Both services are taxed at		City Tax Code main-	ity on a person merely	5159(2).	class action suits.	
consumer level. ARS f 42-5064(A).	Sellers must capture/verify	tained by DOR. ARS	accessing pre-written			
	exemption account num-	∫ 42-6002(A);ARS ∫	computer software.	No accel. lease	Contingent fee au-	
Cable equip.: taxable. ARS § 42-5061(B)	bers. ARS ∫ 42-5022.	42-6053.	Arizona Taxpayer In-	payments. No credit	diting is prohibit-	
(15)(a). Services are not taxed at con-			formation Ruling No.	against other states'	ed. Sone locals use	
sumer level. ARS $\int 42-5064(A)$.	Vendor comp.: 1% of tax	Website has current	LR11-011, No. LR11-	tax on accel. lease	private-contract	
	due (capped at \$10,000	and historical tax rates	010 (6/22/11).	payments. AAC R15-5-	auditing. ARS ∫ 42-	
Electric and gas equip.: Partially taxable;	per calendar year). ARS ∫	but does not have a		1503(H).	1004(B)(3).	
[gas and electric distribution facilities are	42-5017.	boundary database.	No tax liability relief			
taxable].ARS § 42-5061(B)(4); Electricity		https://www.azdor.	for sellers and purchas-	Bad debt deduction		
and gas sold to consumers are taxed,	Direct pay allowed to per-	gov/TransactionPriv-	ers relying on DOR	does not generally		
except for electricity and gas sold to	sons purchasing \$500,000	ilegeTax(TPT)/Whats-	guidance.	apply to private-label		
qualified manufacturers or smelters.ARS §	or more of TPP per year. ARS	New/tabid/421/		credit cards. AAC R15-		
42-5063(A), (C).	\$\int 42-5167(A).	cmd802/arch/De-		5-2011(A).		
12 5005(11), (0).	w	fault.aspx.				

		ARKANSAS				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 38%.	No "good faith" req. imposed	398 local sales tax	Full SSUTA member.	Sellers with \$200,000	Purchasers can ob-	
	when accepting certs. ACA	jurisdictions (ratio of		in sales per month	tain refunds by go-	
Mfg. equip. exemption limited to M&E di-	∫ 26-21-107;AC r.79(E)(2);	7,326).	Tax imposed on digital	must make bimonthly	ing through seller	
rectly used in mfg. ACA \$\iiii 26-52-402(a)\$	sellers allowed at least 120		products. ACA ∫ 26-52-	advance payments	to secure a vendor	
(1)(A), (a)(3)(A).	days to obtain valid certs. on	Central admin. of the	301(1)(B), (3)(C)(iii).	(amounting to 80 per-	assignment.ACA	
	audit. AC r.79(E)(4).	local taxes. Locals		cent of tax due). ACA J	∫ 26-18-507, AC	
Mfg. inputs exemption limited to mate-		have same tax base.	No tax imposed on	26-52-512;AC r.77(D).	r.81.1.	
rials becoming a "recognizable integral	MTC & SSUTA exemption	ACA §§ 26-74-212(a),	a person merely			
part" and to certain defined items con-	certs. may be used.	-407.	accessing pre-written	Credit limited to use	False claims act	
sumed or used in the mfg. process. ACA f	AC r.79(F)(1)(a).		computer software.	tax. ACA ∫ 26-53-	excludes tax	
26-52-401(12)(B).		Website has current	AC r.25(A).	<i>131(a)(1).</i> Full credit	claims. ACA ∫ 20-	
	Sellers not required to	tax rates and a bound-		for other states' state	77-901 et seq.	
Wired and wireless equip.: taxable. ACA	capture/verify exemption	ary database, but not	Tax liability relief for	and local taxes.		
$\int 26-53-108(b)$; services are taxed at	account numbers.	historical tax rates.	sellers and purchasers		Class action suits	
consumer level. ACA ∫ 26-52-315.			relying on DFA written	No accel. lease pay-	not allowed. State	
	Vendor comp.: 2% of tax		guidance. ACA ∫ 26-	ments. Credits other	Dept. of Fin. &	
Cable equip.: taxable. <i>ACA</i> \$\infty\$ 26-52-301(3)	due (capped at \$1,000 per		21-106, Rule GR-75.	states' tax on accel.	Admin. v. Tedder,	
(C). Cable services are taxable at consum-	month). Separate caps for			lease payments.ACA	932 S.W.2d 755	
er level. ACA JJ 26-52-315(a), -301(3)	local collections. ACA			∫ 26-53-131; Rule UT-	(Ark. 1996).	
(c).	<i>52-503</i> .			12.C;ACA ∫ 26-5-101,		
				Art.V.	No current	
Electric and gas equip.: partially taxable;	AR has a broad-based direct				contingent fee or	
[gas and electric distribution facilities	pay provision. ACA £ 26-52-			Bad debt deduction	private-contract	
are taxable]. ACA JJ 26-52-402, -108.	509(a)(1).			does not apply to pri-	auditing. ACA \$26-	
Electricity and gas sold to consumers are				vate-label credit cards.	18-303.	
taxed, except for sales to manufacturers.				ACA JJ 26-52-309,		
				26-53-111.		

B2B sales tax: 39%. Mfg. equip. taxable w/reduced 3.3125% rate, limited to TPP purchased for use primarily in any stage of mfg. CRTC f 6377. ((a)(1). Partial mfg. inputs exemption limited to TPP purchased by persons for the primary purpose of incorporating it into a manufactured article to be sold. 18 CCR f 1607(b)(T). Wired and wireless: taxable. Wired services are not taxed at consumer level, but wireless services are not taxed at consumer level. CRTC f 6006. Cable equip. taxable. Services are not taxed at consumer level. CRTC f 6006. Cable equip. taxable. Services are not taxed at consumer level. CRTC f 6006. Cable equip. taxable. Services are not taxed at consumer level. CRTC f 6006. Cable equip. taxable w/limited conduits. CRTC f 6006. Cable equip. taxable w/limited exemption for election lines, poles, tow-ers, and conduits. CRTC f 6016.5. Electric and gas sales are subject to excise taxes and surcharges. CRTC f 6033.			CALIFORNIA				
when accepting certs. 18 Mfg. equip. taxable w/reduced 3.3125% Mfg. equip. taxable w/reduced 4 sile to 4120 days to obtain valid certs. on audit. 18 CR Mfg. equip. taxable w/reduced 3.3125% Mfg. equip. taxable w/reduced 4 sile tax 120 days to obtain valid certs. on audit. 18 CR Mfg. equip. taxable w/reduced 3.3125% Mfg. equip. taxable w/reduced 5.3125% Mfg. equip. taxable w/reduced 5.3125% Mfg. equip. taxable w/reduced 6 sile w/reduced. Mfg. 600. More tax it least 120 days to obtain valid certs. on audit. 18 CR Mfg. equip. taxable w/reduced 6 sile w/reduced. Mfg. 600. More tax it least 120 days to obtain valid certs. On audit. 18 CR More taxable w/reduced. Mfg. 600. No tax imposed on digital products. Pub. No tax imposed on tax it w/out going reduced. Mfg. 6452. No tax imposed on tax it w/reduced. Mfg. 6452. No tax imposed on tax it w/reduced. Mfg. 6406. No tax imposed on tax it w/reduced. Mfg. 6406. No tax imposed on tax it w/reduced. Mfg. 6406. No cacel. lease payments using origin location. No credit against other state.						REFUND	
Mig. equip. taxable w/reduced 3.3125% rate, limited to TPP purchased for use primarily in any stage of mig. CRTC f 6377.1(a)(1). Partial mig. inputs exemption limited to TPP purchased by persons for the primary purpose of incorporating it into a manufactured article to be sold. 18 CCR f 1667(b)(2). Wired and wireless: taxable. Wired services are not taxed at consumer level, but wireless services are not taxed at consumer level. Durcet pay limited to applicates and comment laxed at consumer level. CRTC f 6006. Cable equip: taxable w/imited exemption lines, poles, towers, and conduits. CRTC f 6016.5. Electricity and gas sales are subject to excise	B2B sales tax: 39%.	"Good faith" req. imposed	365 local sales tax	Not a full SSUTA	Sellers with a monthly	Purchasers can ob-	
rate, limited to TPP purchased for use primarily in any stage of mfg. CRTC f 6377.1(a)(1). Partial mfg. inputs exemption limited to TPP purchased by persons for the primary purpose of incorporating it into a manufactured article to be sold. 18 CCR f 1525(b). Wired and wireless: taxable. Wired services are not taxed at consumer level, but wireless services are taxed. CRTC g f 6006, 42100. Additionally, certain surcharges may apply. Cable equip.: taxable services are not taxed at consumer level. CRTC f 6006. Cable equip.: taxable w/limited exemption for election lines, poles, tow-crs, and conduits. CRTC f 6016. Electricity and gas sales are subject to excise		when accepting certs. 18	jurisdictions (ratio of	member.	estimated tax of >\$17K	tain refunds from	
primarily in any stage of mfg. CRTC \$\int \text{at least 120 days to obtain valid certs. on audit. 18 CCR \$\int \text{1667(b)(2)}.\] Partial mfg. inputs exemption limited to 17PP purchased by persons for the primary purpose of incorporating it into a manufactured article to be sold. 18 CCR \$\int \text{1667(b)(2)}.\] Wired and wireless: taxable. Wired services are not taxed at consumer level, calles equip.: taxable. Services are not taxed at consumer level. CRTC \$\int \text{6006}.\] Solution of the valid certs. on audit. 18 CCR \$\int \text{1667(b)(2)}.\] Website has current and historical tax rates but does not have a boundary database. boundary da	Mfg. equip. taxable w/reduced 3.3125%	<i>CCR</i> ∫ 1667(b)(1); no	102,066).		must make advance	state w/out going	
valid certs. on audit. 18 CCR f 1667(b)(2). Partial mfg. inputs exemption limited to TPP purchased by persons for the primary purpose of incorporating it into a manufactured article to be sold. 18 CCR f 1525(b). Wired and wireless: taxable. Wired services are not taxed at consumer level, but wireless services are taxed. CRTC ff 6006, 42100. Additionally, certain surcharges may apply. Cable equip.: taxable. Services are not taxed at consumer level. CRTC ff 6006. Calbe equip.: taxable w/limited teast 875M per quarter. 18 Electric and gas equip: taxable w/limited teast 875M per quarter. 18 CCR f 1699.5(a). Valid certs. on audit. 18 CCR f 1667(b)(2). T202(d), 7270. Local tax jurisdictions have the same tax base as the same tax base as a seme tax base as a seme tax base as an exemption cert.). Website has current and historical tax rates but does not have a boundary database. bttps://www.boe. ca.gov/sutax/ar. cbitve_rates.btm. Direct pay limited to applicants with TPP sales totaling at least 875M per quarter. 18 Electric and gas equip: taxable w/limited to exist of the state. CRTC ff 6016.5. Electricity and gas sales are subject to excise	rate, limited to TPP purchased for use	general rule allowing sellers		No tax imposed on	payments. CRTC ∫	through the seller	
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Partial mfg. inputs exemption limited to TPP purchased by persons for the primary purpose of incorporating it into a manufactured article to be sold. 18 CCR f 1525(b). Wired and wireless: taxable. Wired services are not taxed at consumer level, but wireless services are taxed. CRTC g sequip.: taxable. Services are not taxed at consumer level. Cable equip.: taxable. Services are not taxed at consumer level. Cable equip.: taxable w/limited exemption for election lines, poles, towers, and conduits. CRTC f 6016.5. Electricity and gas sales are subject to excise	6377.1(a)(1).	valid certs. on audit. 18 CCR	local taxes. CRTC JJ	109 (6/12).		paid use tax. CRTC	
to TPP purchased by persons for the primary purpose of incorporating it into a manufactured article to be sold. 18 CCR f 1525(b). Wired and wireless: taxable. Wired services are not taxed at consumer level, but wireless services are taxed. CRTC f 6006. Cable equip.: taxable. Services are not taxed at consumer level. Cable equip.: taxable. Services are not taxed at consumer level. CRTC f 6006. Cable equip.: taxable. Services are not taxed at consumer level. CRTC f 6006. Cable equip.: taxable w/limited exemption for election lines, poles, towers, and conduits. CRTC f 6016.5. Electricity and gas sales are subject to excise		∫ 1667(b)(2).	7202(d), 7270. Local		Credit limited to use	<i>§</i> 6901.	
to TPP purchased by persons for the primary purpose of incorporating it into a manufactured article to be sold. 18 CCR f 1525(b). Wired and wireless: taxable. Wired services are not taxed at consumer level, but wireless services are taxed. CRTC f 6006, 42100. Additionally, certain surcharges may apply. Cable equip.: taxable. Services are not taxed at consumer level. CRTC f 6006. Cable equip.: taxable w/limited exemption for election lines, poles, towers, and conduits. CRTC f 6016.5. Electricity and gas sales are subject to excise	Partial mfg. inputs exemption limited		tax jurisdictions have	No tax imposed on	tax. CRTC § 6406. Full		
primary purpose of incorporating it into a manufactured article to be sold. 18 CCR \$\int 1525(b)\$. Wired and wireless: taxable. Wired services are not taxed at consumer level, but wireless services are taxed. CRTC \$\int 6006, 42100. Additionally, certain surcharges may apply. Cable equip.: taxable. Services are not taxed at consumer level. Cable equip.: taxable w/limited exemption for election lines, poles, towers, and conduits. CRTC \$\int 6016.5. Electricity and gas sales are subject to excise tion certs. for resale (otherwise, it may not be accepted as an exemption to eaccepted as an exemption cert.). the state. CRTC \$\int 702(b), (c). Website has current and historical tax rates but does not have a boundary database. but does not have a boundary database. but ps://www.boe. ca.gov/sutax/ar. cbive_rates.btm. Direct pay limited to applicant with TPP sales totaling at least \$75M per quarter. 18 CCR \$\int 1699.5(a). Electric and gas equip.: taxable w/limited exemption for election lines, poles, towers, and conduits. CRTC \$\int 6016.5. Electricity and gas sales are subject to excise tion certs. for resale (otherwise, it may not be accepted as an exemption of election in the state. CRTC \$\int 6016.5. Electricity and gas sales are subject to excise the state. CRTC \$\int 109 (6/12). Website has current and historical tax rates but does not have a solutax/ar claims. CGC \$\int 12651(f). No accel. lease payments but continues tax on certain lease relying on DTFA guid and pinchasers relying on DTFA guid ance. 18 CCR \$\int 1705\$. No carent exclusion. No credit against other states' San Jose v. Super. Ca.gov/sutax/ar cbive_rates.btm. Direct pay limited to applicant tax rates but and pinchasers relying on DTFA guid ance. 18 CCR \$\int 1060(c)(8); CRTC \$\int 600(c)(8); CRTC		Limited use of MTC exemp-	the same tax base as	_	credit for other states'	False claims act	
## Sellers not required to services are not taxed at consumer level, but wireless services are taxed. CRTC ## Soundary database. ##		tion certs. for resale (other-	the state. CRTC JJ	accessing pre-written	state and local taxes.	excludes tax	
Website has current and historical tax rates but does not have a boundary database. bttps://www.boe. cagov/sutax/ar-cbive_rates.btm. Sellers not required to capture/verify exemption account numbers. Sellers not required to aphit does not have a boundary database. bttps://www.boe. ca.gov/sutax/ar-cbive_rates.btm. No accel. lease payments but continues tax on certain lease relying on DTFA guidance. 18 CCR \$\(1705 \). San Jose v. Super. Cal. 1974); CRTC \$\(1660(c)(8); CRTC \) \$\(1660(c)(8); CR	a manufactured article to be sold. 18 CCR	wise, it may not be accepted	7202(b), (c).	computer software.	CRTC ∫ 6406.	claims. CGC ∫	
Sellers not required to services are not taxed at consumer level, but wireless services are taxed. CRTC ∫∫∫ 6006, 42100. Additionally, certain surcharges may apply. No vendor comp. Cable equip.: taxable. Services are not taxed at consumer level. CRTC ∫ 6006. Electric and gas equip.: taxable w/limited exemption for election lines, poles, towers, and conduits. CRTC ∫ 6016.5. Electricity and gas sales are subject to excise Sellers not required to capture/verify exemption and historical tax rates but does not have a boundary database. https://www.boe. ca.gov/sutax/ar-cbive_rates.btm. Tax liability relief for sellers and purchasers relying on DTFA guidance. https://www.boe. ca.gov/sutax/ar-cbive_rates.btm. Tax liability relief for sellers and purchasers relying on DTFA guidance. https://www.boe. ca.gov/sutax/ar-cbive_rates.btm. Tax liability relief for sellers and purchasers relying on DTFA guidance. https://www.boe. ca.gov/sutax/ar-cbive_rates.btm. Tax liability relief for sellers and purchasers relying on DTFA guidance. https://www.boe. ca.gov/sutax/ar-cbive_rates.btm. Tax liability relief for sellers and purchasers relying on DTFA guidance. https://www.boe. ca.gov/sutax/ar-cbive_rates.btm. Tax liability relief for sellers and purchasers relying on DTFA guidance. https://www.boe. ca.gov/sutax/ar-cbive_rates.btm. Tax liability relief for sellers and purchasers relying on DTFA guidance. https://www.boe. ca.gov/sutax/ar-cbive_rates.btm. Tax liability relief for sellers and purchasers relying on DTFA guidance. 18 CCR ∫ 1004 in the payments using origin location. No credit against other states' tax on accel. lease payments. 18 CCR ∫ 160(c)(8); CRTC ∫ 6006. Tax liability relief for sellers and purchasers relying on DTFA guidance. 18 CCR ∫ 1004 in the payments using origin location. No credit against other states' tax on accel. lease payments. 18 CCR ∫ 160(c)(8); CRTC ∫ 6004(b). Tax liability relief for sellers and purchasers relying on DTFA guidance. 18 CCR ∫ 1004 in the payments. 18 CCR ∫ 1004 in the pa	∫ 1525(b).	as an exemption cert.).		Pub. 109 (6/12).		12651(f).	
services are not taxed at consumer level, but wireless services are taxed. CRTC \$\int food 6, 42100\$. Additionally, certain surcharges may apply. Cable equip.: taxable. Services are not taxed at consumer level. CRTC \$\int 6006\$. Direct pay limited exemption at least \$\int 575 \text{Mper quarter.} 18\$ Electric and gas equip.: taxable w/limited exemption for election lines, poles, towers, and conduits. CRTC \$\int 6016.5\$. Electricity and gas sales are subject to excise Capture/verify exemption account numbers. but does not have a boundary database. but do			Website has current		No accel. lease pay-		
services are not taxed at consumer level, but wireless services are taxed. CRTC \$\int f 6006, 42100\$. Additionally, certain surcharges may apply. No vendor comp. Cable equip.: taxable. Services are not taxed at consumer level. CRTC \$\int 6006\$. Electric and gas equip.: taxable w/limited exemption for election lines, poles, towers, and conduits. CRTC \$\int 6016.5\$. Electricity and gas sales are subject to excise Capture/verify exemption account numbers. but does not have a boundary database. butmary database.	Wired and wireless: taxable. Wired	Sellers not required to	and historical tax rates	Tax liability relief for	ments but continues	Very limited, writ-	
but wireless services are taxed. CRTC \$\int f 6006, 42100\$. Additionally, certain surcharges may apply. Cable equip.: taxable. Services are not taxed at consumer level. CRTC \$\int 6006\$. Electric and gas equip.: taxable w/limited exemption for election lines, poles, towers, and conduits. CRTC \$\int 6016.5\$. Electricity and gas sales are subject to excise boundary database. boun	services are not taxed at consumer level,	capture/verify exemption	but does not have a	•	tax on certain lease	ten auth. required	
### Surcharges may apply. No vendor comp. Surcharges may apply.	but wireless services are taxed. CRTC	account numbers.	boundary database.	-	payments using origin	to be part of class	
Surcharges may apply. No vendor comp. Ca.gov/sutax/ar- chive_rates.htm. San Jose v. Super. Ct., 525 P.2d 701 Cable equip.: taxable. Services are not taxed at consumer level. CRTC \$\infty\$ 6006. Electric and gas equip.: taxable w/limited exemption for election lines, poles, tow- ers, and conduits. CRTC \$\infty\$ 6016.5. Elec- tricity and gas sales are subject to excise No vendor comp. ca.gov/sutax/ar- chive_rates.htm. against other states' tax on accel. lease Ct., 525 P.2d 701 (Cal. 1974); CRTC \$\infty\$ 6904(b). 6406. No current contingent fee or applies to private-label private-contract auditing.			https://www.boe.	, -	location. No credit	action suit. City of	
Cable equip.: taxable. Services are not taxed at consumer level. CRTC \$\int 6006\$. Electric and gas equip.: taxable w/limited exemption for election lines, poles, towers, and conduits. CRTC \$\int 6016.5\$. Electricity and gas sales are subject to excise Direct pay limited to applicants with TPP sales totaling at least \$\frac{1660(c)(8)}{5}CRTC \$\int 6904(b)\$. CCR \$\int 1699.5(a)\$. Direct pay limited to applicants with TPP sales totaling at least \$\frac{75M}{5}Per quarter. 18} CCR \$\int 1699.5(a)\$. No current contingent fee or applies to private-label credit cards. CRTC \$\int \frac{5}{5}Per (0.055(c)) \frac{1}{5}Per (0.055(c)) \fr	-	No vendor comp.	ca.gov/sutax/ar-	, and the second	against other states'	San Jose v. Super.	
taxed at consumer level. $CRTC \int 6006$. Electric and gas equip.: taxable w/limited exemption for election lines, poles, towers, and conduits. $CRTC \int 6016.5$. Electricity and gas sales are subject to excise Electric are gas equip.: taxable w/limited at least \$75M per quarter. 18 $CCR \int 1699.5(a)$. No current contingent fee or applies to private-label credit cards. $CRTC \int 6016.5$. Electricity and gas sales are subject to excise		•	chive_rates.htm.		tax on accel. lease	Ct., 525 P.2d 701	
taxed at consumer level. CRTC \$\(6006\). Cants with TPP sales totaling at least \$\(75M\) per quarter. 18 Electric and gas equip.: taxable w/limited exemption for election lines, poles, towers, and conduits. CRTC \$\(6016.5\). Electricity and gas sales are subject to excise Cants with TPP sales totaling at least \$\(75M\) per quarter. 18 CCR \$\(1699.5(a)\). No current contingent fee or private-label credit cards. CRTC \$\(\) auditing.	Cable equip.: taxable. Services are not	Direct pay limited to appli-			payments. 18 CCR J	(Cal. 1974); CRTC	
at least \$75M per quarter. 18 Electric and gas equip.: taxable w/limited exemption for election lines, poles, towers, and conduits. CRTC \$\int 6016.5\$. Electricity and gas sales are subject to excise at least \$75M per quarter. 18 CCR \$\int 1699.5(a)\$. No current contingent fee or applies to private-label credit cards. CRTC \$\int\$ auditing.		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			1660(c)(8); CRTC ∫	§ 6904(b).	
Electric and gas equip.: taxable w/limited exemption for election lines, poles, towers, and conduits. CRTC \$\int 6016.5\$. Electricity and gas sales are subject to excise CCR \$\int 1699.5(a)\$. Bad debt deduction contingent fee or applies to private-label credit cards. CRTC \$\int\$ (202.5 (c)) (202.5 (c)) (202.5 (c))					6406.		
exemption for election lines, poles, towers, and conduits. CRTC \$\int 6016.5\$. Electricity and gas sales are subject to excise Bad debt deduction contingent fee or applies to private-label credit cards. CRTC \$\int 6016.5\$. Electricity and gas sales are subject to excise Bad debt deduction contingent fee or private-contract auditing.	Flectric and gas equip : taxable w/limited					No current	
ers, and conduits. CRTC \$\int 6016.5\$. Electricity and gas sales are subject to excise auditing.					Bad debt deduction	contingent fee or	
tricity and gas sales are subject to excise credit cards. CRTC §§ auditing.					applies to private-label	private-contract	
(055(-) (1) (2025(-)	_ ·				credit cards. CRTC §§	auditing.	
	,				6055(a), (b), 6203.5(a).		

		COLORADO				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 42%.	"Good faith" req. imposed	322 local sales tax	Not a SSUTA member.	No advance payments.	Purchasers can	Colorado
	when accepting certs. DR	jurisdictions (ratio of			obtain refunds	sellers
Mfg. equip. exemption limited to equip.	0563 (08/13) Instructions;	15,619).	Tax imposed w/out	Credit limited to use	from the state w/	lacking
used directly and predominantly in mfg.	no rule allowing sellers at		clear statutory author-	tax. CCR ∫ 39-26-	out going through	nexus in
of TPP, with 1+ yr. useful life, costing	least 120 days to obtain	All local taxes are not	ity on digital products.	713.2(F). Full credit	the seller. https://	a locality
\$500+. CRS \$\int 39-26-709\$. Some local juris-	valid certs. on audit, but	centrally admin.	CO GIL-13-020 (Aug.	for other states' state	www.colorado.	can have
dictions do not provide any mfg. machin-	flexible on audit.		20, 2013).	and local taxes. CCR f	gov/pacific/sites/	disputes
ery exemption. Form DR 1002.		Some home-rule local-		39-26-713.	default/files/	with cus-
	MTC and SSUTA exemp-	ities define their own	No tax imposed on		Sales90.pdf.	tomers
Mfg. inputs exemption generally limited	tion certs. may be used for	tax base and separate	a person merely	No accel. lease pay-		when
to inputs entering into the processing of	taxable goods, but not for	appeals. CRS JJ 29-2-	accessing pre-written	ments but continues	False claims act	collect-
or becoming an ingredient or component	resale of taxable services.	105(1)(d)(1).	computer software.	tax on certain lease	does not apply to	ing tax
part of the product. <i>CRS</i> J 39-26-102(20)	CO GIL 13-006.		CRS \$\iii 39-26-102(15)	payments using origin	taxes. CRS ∫ 26-1-	w/out
(a).		Website has current	(c)(I), $-(c)(II)(A)$.	location. Unclear if	127 et seq.	having a
	Sellers must capture exemp-	tax rates, but not		credit provided other		physical
Wired and wireless: generally, taxable, but	tion account numbers. GIL	historical tax rates or	Limited tax liability	states' tax on accel.	Class action suits	presence
limited refund available to broadband	12-006.	a boundary database.	relief for sellers and	lease payments.	not allowed. CRS ∫	in the
providers. Intrastate telephone services		https://www.colora-	purchasers relying on		39-26-703(2.5)(c).	locality.
are taxed at consumer level. CRS JJ 39-	Vendor comp.: 3.33% of tax	do.gov/pacific/tax/	DOR guidance. CRS ∫	Bad debt deduction		
26-105(1)(a), -104(1)(c).	due. CRS	sales-tax-rates.	39-26-105.3.	does not apply to pri-	No contingent	
	(II)(A).			vate-label credit cards.	fee auditing. State	
Cable: taxable. Cable services not taxed at				CRS ∫ 39-26-102(5);	and locals use	
state level, but some home rule jurisdic-	Direct pay limited to appli-			CCR JJ 39-26-102.5(a)	private-contract	
tions tax these services. CRS § 39-26-105.	cants making \$7M+ worth			(4), -111.	auditing.	
	of taxable annual sales. CRS					
Electric and gas equip.: generally taxable.	<i>§</i> 39-26-103.5(1).					
CRS § 39-26-724. Electricity and gas is						
taxed for commercial users. CRS \$\int\$ 39-26-						
105(1)(a)(II).						

		CONNECTICU	Т			
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 39%.	"Good faith" req. imposed	No local sales tax juris-	Not a full SSUTA	No advance payments.	Purchasers can	
	when accepting certs.	dictions.	member.		obtain seller's	
Mfg. equip. exemption limited to ma-	<i>CGS ∫ 12-410(2)</i> ; no rule			Credit limited to use	written assign-	
chinery used directly in mfg. CGS ∫ 12-	allowing sellers at least 120	Website has current	Tax imposed w/out	tax. CGS J 12-430(5).	ment of refund	
412(34); 50% exemption for M&E used	days to obtain valid certs.	tax rate and no tax	clear statutory author-	Full credit for other	claim to obtain	
primarily in mfg., processing, or fabricat-	on audit.	rate change w/past 5	ity on digital products	states' state and local	a refund from	
ing. CGS ∫ 12-412i.		years. http://askdrs.	("computer and data	taxes. CGS J 12-430(5).	the state. Policy	
	Limited use of MTC exemp-	ct.gov/Scripts/drsri-	processing services").		Statement 98(5),	
Mfg. inputs full exemption limited to ma-	tion certs.	ghtnow.cfg/php.exe/	CGS J 12-408(1)(D)	No accel. lease pay-	Sales and Use Tax	
terials, tools, and fuels used directly in an		enduser/std_adp.	<i>(i).</i>	ments. Credits other	Refund Policy.	
industrial plant in the actual fabrication	Sellers must capture reg-	php?p_faqid=398.		states' tax on accel.		
of a finished product. CGS J 12-412(18).	istration numbers, but no		Tax imposed w/out	lease payments. Policy	False claims act	
50% exemption for materials, tools, and	verification requirement.		clear statutory author-	Statement 96(10).	does not apply to	
fuels otherwise consumed in mfg. CGS J			ity on a person merely		taxes. CGS	
12-412i.	No vendor comp.		accessing pre-written	Bad debt deduction	440 et seq.	
			computer software.	does not generally		
Wired and wireless equip.: partially	Direct pay allowed when		Policy Statement	apply to private-label	Some class action	
taxable. CGS J 12-412(112). Services are	there are "sufficient volume"		2004(2), Sales and	credit cards. CGS ∫	suits allowed. See	
taxed at consumer level. CGS \$\int\$ 12-407(a)	of purchases to justify the		Use Taxes on Inter-	12-408(2)(B); CAR ∫	Ferrie v. DirecTV,	
(2)(K).	expense of audits by the		net Access Services	12-408-1(d).	LLC, 3:15-CV-409	
	commissioner. CGS		and On-Line Sales of		(JCH), 2016 WL	
Cable equip.: partially taxable. CGS ∫ 12-	409a.		Goods and Services;		183474 (D. Conn.	
412(112). Services are taxed at consumer			FAQ 750; Ruling No.		Jan. 12, 2016).	
level. CGS \$\int 12-407(a)(2)(A), (a)(2)(L).			2015-5.			
					No current	
Electric and gas equip.: partially taxable.			No tax liability relief		contingent fee or	
CGS J 12-412. Electricity and gas is taxed			for sellers and purchas-		private-contract	
for commercial users. CGS § 12-412(3).			ers relying on DOR		auditing.	
			guidance.			

		DISTRICT OF COL	UMBIA			_
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 42%.	"Good faith" req. imposed when accepting certs. <i>DCC</i> § 47-2010; no rule allowing	No local sales tax jurisdictions.	Not a SSUTA member.	No advance payments.	Purchasers can obtain refunds from the state w/	SSNs and home address-
Mfg. equip. taxable. DCC	sellers at least 120 days to obtain valid certs. on audit.	Website has current tax rates but does not	Tax imposed w/out clear statutory author- ity on digital products	Credit limited to use tax. DCC J 47-2206. Full credit for oth-	out going through the seller.	es are required
used or incorporated into other TPP for sale by mfg. $DCC \int 47-2001(n)(1)$.	No longer allows use of	have historical tax rates.	("based on info services and data process-	er states' state and local taxes. DCC £ 47-	False claims act	on reg- istration
Wired and wireless equip.: exempt. DCC	MTC exemption certs.		ing services"). DCC ff 47-2001(s), -2201(n)	2206(3).	excludes tax claims. DCC \$\int 2.281.0260	forms and on returns.
∫∫ 47-2005(5)(B), (C). Services are taxed at consumer level. DCC ∫∫ 47-2001(n) (1)(G), -2002, -3902.	Sellers must capture registration numbers.		(1)(N), -2201(j). Tax imposed on a per-	No accel. lease payments. Unknown if DC credits against tax paid	2-381.02(d). No known use of	https:// www.
Cable equip.: exempt. <i>DCC</i> \$\int 47-2005(5)	No vendor comp.		son merely accessing pre-written computer	to another state on accel. lease payments.	class action suits.	taxpay- erser-
(D). Services are taxed at consumer level. $DCC \int 47-2005(26)$.	No direct pay permits allowed.		software (data processing and info services). $DCC \int 47-2001(n)(1)$	Bad debt deduction	No current contingent fee or	vicecen- ter.com/ fr500/
Electric and gas equip.: exempt. DCC JJ 47-2501, -2005(5)(A). Some services are			(N)(i).	does not generally apply to private-label credit cards. 9 DCMR J	private-contract auditing.	Load- Step 1.do.
taxed at the consumer level. $DCC \iint 47$ - $2001(n)(1)(D)$, $-2005(11)$, $-2005(24)$.			No tax liability relief for relying on OTR guidance.	410.4.		

		FLORIDA				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 42%.	"Good faith" req. imposed	62 local sales tax	Not a SSUTA member.	Sellers must make	No written	
	when accepting certs. for	jurisdictions (ratio of		advance payments. FS J	process allowing	
Mfg. equip. exemption exempts all M&E	resale. FAC r.12A-1.039(5).	303,247).	Tax imposed on cer-	<i>212.11.</i> Payment is due	purchasers to ob-	
purchases with a 3-year life or longer that	No rule allowing sellers		tain digital products	with the return for the	tain refunds from	
are determined to be integral to the mfg.	at least 120 days to obtain	Central admin. of	via communications	prior month.	the state w/out	
process. FS ∫ 212.08(5).	valid certs. on audit, but	the local taxes. FS ∫	services tax. Florida		going through the	
	sellers may provide certs.	212.054(4)(a). Locals	Technical Assistance	Credit not limited to	seller. Claimants	
Mfg. inputs exemption limited to raw ma-	any time during an audit. FS	have same tax base	Advisement 14A19-	use tax. FS J 212.06(7).	must have made	
terials that become a component part of a	JJ 212.07(1)(b).	as the state. FS ∫	005 (Dec. 18, 2014);	Full credit for other	payment directly	
product produced for sale or for purposes		212.054.	Florida Technical	states' state and local	to DOR to receive	
of R&D, product packaging, various boiler	MTC exemption certs.		Assistance Advisement	taxes. Florida Tax In-	refund. DR-26S	
fuels, and electricity used by specific	generally not allowed. FAC	Website has current	14A19-006 (Dec. 19,	formation Publication	(1/08).	
industries. FS JJ 212.052, 212.08. Does	r.12A-1.039(8).	and historical tax rates	2014).	No. 00A01-36.		
not include expendable materials that do		but does not have a			False claims act	
not become a component of the finished	Sellers must capture/verify	boundary database.	No tax imposed on	No accel. lease pay-	does not apply	
product, most fuels, and other energy.	exemption account num-	http://dor.myflorida.	a person merely	ments. Credits other	to taxes. FS ∫	
	bers. FAC r.12A-1.038(b).	com/dor/taxes/tax_	accessing pre-written	states' tax on accel.	213.30(3).	
Wired and wireless equip.: taxable. FS ∫		interest_rates.html.	computer software.	lease payments (with		
212.05(1)(f). Services are taxed at con-	Vendor comp.: 2.5% of tax		Technical Assistance	conditions). FAC	Class action suits	
sumer level. FS \(\int 202.12(1)(a). \)	due for sellers who report		Advisement 14A-001	r.12A-1.007(13).	allowed. <i>Schojan</i>	
	via electronic means only		(1/14).		v. Papa John's	
Cable equip.: taxable. FS $\int 212.05(1)(f)$.	(capped at \$1,200 per			Bad debt deduction	Intern. Inc., 34	
Services are taxed at consumer level. FS	reporting period). FS ∫		Limited tax liability	applies to private-label	F. Supp. 3d 1206	
£ 202.11.	212.12(1)(a).		relief for sellers and	credit cards. FS JJ	(M.D. Fla. 2014).	
			purchasers relying on	212.17(3), (4).		
Electric equip. is exempt; gas equip. is tax-	Direct pay limited to air		DOR guidance. FS JJ		No current	
able. FS \$\int 212.08(5)(c), (7)(bb). Elec-	carriers, railroads, motor car-		213.22(1), 213.21(3)		contingent fee or	
tric and gas services subject to sales tax	riers, vessels, and dealers of		(B).		private-contract	
or GRT except for most manufacturers.	TPP who meet certain reqs.				auditing.	
FS \$\int 212.02, .08(5); FAC r.12A-1.053,	FAC r.12A-1.0911(2)(b), FS					
1.059.	\$ 212.183.					
	l	I.	L	l .		

B2B sales tax: 44%. B2B sales tax: 44%. "Good faith" req. imposed when accepting certs. GCA when accepting certs. GCA industrial materials, or packing supplies. GCA \(\) 48-8-3.2(b). This exemption covers the entire facility (integrated plant theory). B2B sales tax: 44%. "Good faith" req. imposed when accepting certs. GCA jurisdictions (ratio of 46,800). "Good faith" req. imposed when accepting certs. GCA jurisdictions (ratio of 46,800). "Good faith" req. imposed when accepting certs. GCA jurisdictions (ratio of 46,800). "Good faith" req. imposed when accepting certs. GCA jurisdictions (ratio of 46,800). "Good faith" req. imposed when accepting certs. GCA jurisdictions (ratio of 46,800). "Good faith" req. imposed when accepting certs. GCA jurisdictions (ratio of 46,800). "Good faith" req. imposed when accepting certs. GCA jurisdictions (ratio of 46,800). "Good faith" req. imposed jurisdictions (ratio of 46,800). "Good faith" req. imposed when accepting certs. GCA jurisdictions (ratio of 46,800). "Good faith" req. imposed jurisdictions (ratio of 46,800). "No tax imposed on digital products. L.R. Sult 2014-05 (6/14). "Good faith" req. imposed on the prior jurisdictions (ratio of 46,800). "Ab-8-38; By ruling, allows sellers at least 120 days to obtain valid certs. on audit. "LR. SUT -2013-06-13-03. "LR. SUT -2013-06-13-03. "Ab-8-3-10.1(c). The tax base for locals can differs from the state on a person merely on a person			GEORGIA				
when accepting ceris. GCA f 48-8-32 (b). This exemption covers the entire facility (integrated plant theory). SUTA/MTC exemption certs. may be used. SUTA/MTC exemption includes consumable supplies, industrial materials which become part of the component product, caspeplies for packing TPP and energy necessary and integral to mfg. TPP. GCA ff 48-8-32(a)(3), (a)(5), (b), (c). Website includes curvers are taxed at consumer level. GCA f 48-8-2(4) equilip: partially taxable (only digital broadcast equip. exempt), GCReR 560-12-2-217(3), (a)(a), Services are not exceeding \$\$3,000. GCA f\$ 48-8-5(b). Electric and gas equip:: partially taxable. GCRER 560-12-2-17(5)(a) may a consumer level. GCRER 560-12-2-17(5)(a) may a consumer level. GCRER 560-12-1-16. G						REFUND	OTHER ISSUES
Mig. equip. exemption includes M&E necessary and integral to the mig. of TPP sellers at least 120 days to industrial materials supplies growth entire facility (integrated plant theory). Mig. inputs exemption includes consumable supplies, industrial materials which become part of the component product, supplies for packing TPP, and energy necessary and integral to mig. TPP and energy necessary and integral to the mig. TPP and energy necessary and integral to the mig. TPP and energy necessary and integral to the mig. TPP an	B2B sales tax: 44%.	"Good faith" req. imposed	207 local sales tax	Full SSUTA member,	Sellers owing \$60,000	Purchasers can ob-	DOR is
sellers at least 120 days to industrial materials, or packing supplies (CGL § 48-8-32(b). This exemption covers the entire facility (integrated plant theory). Mg. inputs exemption includes consumable supplies for packing TPP, and energy necessary and integral to mg. TPP GCA § 48-8-32(a)(3), (a)(5), (b), (c). Wired and wireless equip: raxable. Services are not exeast act act on consumer level. GCA § 48-8-2(31)(A), GCR&R \$560-12-2.24(2) (a)(1). Cable equip: partially taxable (only digital broadcast equip. exempt), GCR&R \$560-12-2.17(5)(a). Electric and gas equip: partially taxable. GCR&R \$560-12-2.62(TPP) used for transmission and distribution is not exempt. GCR&R \$560-12-1.16. Sellers at least 120 days to obtain valid certs. on audit. Central admin, of the local taxes, GCA § 48-8-10.1(c). The tax base for locals can differs from the state tax base. SUT2014-05 (6/14), Mc as imposed on digital products. I.R. We star includes current and historical tax rates at consumer level. GCA § 48-8-49(b)(2). Website includes current and historical tax rates, and a boundary states, and a boundary states. And a boundary states at consumer level. GCA § 48-8-7(b) (a). Website includes current and historical tax rates, and a boundary states, and a boundary states. And a boundary states are an attax of a consumer level. GCA § 48-8-4(f) (AB-B-8-7(f) (AB-		when accepting certs. GCA	jurisdictions (ratio of	but out of compliance.	or more in the prior	tain refunds from	adminis-
industrial materials, or packing supplies GCA f 48-8-3 2(b). This exemption certs, may be used. Mig. inputs exemption includes consumable supplies, industrial materials which become part of the component product, supplies for packing TPP and energy necessary and integral to mig. TPP GCA fff 48-8-3 2(a)(3), (a)(5), (b), (c). Wired and wireless equip:: taxable. Services are taxed at consumer level. GCA f 48-8-2(31)(A): GCR&R 560-12-2-24(2) (a)(1). Cable equip:: partially taxable (only digital broadcast equip: exempt). GCR&R 560-12-2-17(3), (4)(a). Services are not taxed at consumer level. GCR&R 560-12-2-17(5)(a). Direct pay limited to certain mifg, making at least \$2 million in TPP purchases per year. GCR&R 560-12-1-16. Dobatin valid certs on audit. LR. SUT-2013-06-13-03. Central admin. of the local taxe, GCA f 48-8-4(f)(1). GCH f 48-8-1(b)(C). The tax base for locals can differs from the state tax base for locals can differs from the state tax base. SUT 2014-05 (6/14). SUT AND C exemption of the 20th day of period. SUT 2014-05 (6/14). Website includes current and bistorical tax races and a boundary each of georgia flaws and use taxes reported, and 0.5% of portion taxed at consumer level. GCR&R 560-12-2-24(2). All offices from the state tax base for locals can differs from the state tax base. Sut In Info (In) The 2014-05 (6/14). Website includes current and bistorical tax races and a boundary each of georgia flaws and use taxes reported, and 0.5% of portion taxed at consumer level. GCR&R 560-12-2-24(2). All offices from the state tax base for locals can differs from the state tax base. Crettin admin. of the 20th day of period. Str 2014-05 (6/14). Website includes current and bistorical tax races and purchasers relying on DOR guidance. GCA f 48-8-42. However, tax credit in limited to use tax. GCA f 48-8-42. However, tax credit in limited for state and purchasers relying on DOR guidance. GCA f 48-8-42. However, tax credit softs and products. LR. SUT 2014-05 (6/14). Solve and more differs from th	Mfg. equip. exemption includes M&E	<i>∮</i> 48-8-38; By ruling, allows	46,800).		year, excluding local	the state w/out	tratively
GCAf 48-8-3.2(b). This exemption covers the entire facility (integrated plant theory). SUTA/MTC exemption certs, may be used. SUTA/MTC exemption differs from the state tax base follows: Cond of 48-8-49(b)(2). SUTA/MTC exemption certs and differs from the state tax base follows: Tax liability relief for sellers and purchasers relying on DOR guid- such suffici	necessary and integral to the mfg. of TPP,	sellers at least 120 days to		No tax imposed on	sales taxes, must make	going through the	denying
covers the entire facility (integrated plant theory). ### 48-#110.1(e). The tax base for locals can differs from the state tax base. ### 48-#110.1(e). The tax base for locals can differs from the state tax base. ### 48-#110.1(e). The tax base for locals can differs from the state tax base. ### 48-#110.1(e). The tax base for locals can differs from the state tax base. ### 48-#110.1(e). The tax base for locals can differs from the state tax base. ### 48-#110.1(e). The tax base for locals can differs from the state tax base. ### 48-#110.1(e). The tax base for locals can differs from the state tax base. ### 48-#110.1(e). The tax base for locals can differs from the state tax base. ### 48-#110.1(e). The tax base for locals can differs from the state tax base. ### 48-#110.1(e). The tax base for locals can differs from the state tax base. ### 48-#110.1(e). The tax base for locals can differs from the state tax base. ### 48-#110.1(e). The tax base for locals can differs from the state tax base. ### 48-#110.1(e). The tax base for locals can differs from the state tax base. ### 48-#10.1(e). The tax base for locals can differs from the state tax base. ### 48-#10.1(e). The tax base for locals can differs from the state tax base. ### 48-#10.1(e). The tax base for locals can differs from the state tax base. ### 48-#10.1(e). The tax base for locals can differs from the state tax base. ### 48-#10.1(e). The tax base for locals can differs from the state tax base. ### 48-#10.1(e). The tax base for locals can differs from the state tax base. ### 48-#10.1(e). The tax base for locals can differs from the state tax base. ### 48-#10.1(e). The tax base for locals can differs from the state tax base. ### 48-#10.1(e). The tax base for locals can differs from the state tax base. ### 48-#10.1(e). The tax base for locals can differs from the state tax base. ### 48-#10.1(e). The tax base for locals can differs from the state tax base. ### 48-#10.1(e). The tax base. ### 48-#10.1(e). The tax base. ### 48-#10.1(e). T	industrial materials, or packing supplies.	obtain valid certs. on audit.	Central admin. of the	digital products. L.R.	advance payments of	seller. File forms	direct
theory). SSUTA/MTC exemption certs. may be used. Mig. inputs exemption includes consumable supplies, industrial materials which become part of the component product, supplies for packing TPP, and energy necessary and integral to migrate to a statute, but DOR has suggested that the definition of "good-faith" in GCA f 48-8-2(a)(3), (a)(5), (b), (c). Wired and wireless equip.: taxable. Services are taxed at consumer level. GCA f 48-8-2(2)(2) (a)(1). Cable equip::partially taxable (only digital broadcast equip.:exempt). GCR&R 560-12-2-24(2) 2.17(5)(a). Cable equip::partially taxable (only digital broadcast equip.:exempt). GCR&R 560-12-2-27(7) (a). Cable equip::partially taxable (only digital broadcast equip.:exempt). GCR&R 560-12-2-27(7) (a). Cable equip::partially taxable (only digital broadcast equip.:exempt). GCR&R 560-12-2-27(7) (a). Cable equip::partially taxable (only digital broadcast equip.:exempt). GCR&R 560-12-2-27(7) (a). Cable equip::partially taxable (only digital broadcast equip.:exempt). GCR&R 560-12-2-27(7) (a). Direct pay limited to certain mfg. making at least \$2 million in TPP purchases per year. GCR&R 560-12-1-16.	<i>GCA ∫</i> 48-8-3.2(b). This exemption	L.R. SUT -2013-06-13-03.	local taxes. GCA ∫	SUT 2014-05 (6/14).	50% each month by	ST-12 (7/16) and	pay
Mfg. inputs exemption includes consumable supplies, industrial materials which become part of the component product, supplies for packing TPP, and energy necessary and integral to mfg. TPP, GCA ff 48-8-3.2(a)(3), (a)(5), (b), (c). Website includes current and historical tax rates, and a boundary database. Website includes current and historical tax rates, and a boundary database. Wired and wireless equip.: taxable. Services are taxed at consumer level. GCA f 48-8-2(2) (a)(1). Vendor comp.: 3% of tax due on first \$3,000 of total sales and use taxes report ed, and 0.5% of portion taxe taxes and use taxes report ed, and 0.5% of portion taxe taxes and use taxes report ed, and 0.5% of portion taxed at consumer level. GCRER 560-12-2.7(3), (4)(a). Services are not taxed at consumer level. GCRER 560-12-2.2 (a) Cable equip.: partially taxable (only digital broadcast equip. exempt), GCRER 560-12-2.2 (a) Direct pay limited to certain mission and distribution is not exempt. GGCRER 560-12-1.16. Electric and gas equip.: partially taxable. GGCRER 560-12-2.02(TP) used for transmission and distribution is not exempt. GGCRER 560-12-1.16.	covers the entire facility (integrated plant		48-8-110.1(c). The		the 20th day of period.	ST-12B (1/12).	holders
Mfg. inputs exemption includes consumable supplies, industrial materials which become part of the component product, supplies for packing TPP, and energy necessary and integral to mfg. TPP, GCA \$ff\$ 48-83.2(a)(3), (a)(5), (b), (c). Wired and wireless equip: taxable. Services are taxed at consumer level. \$GCA \$ff\$ 48-82(31)(A); \$GCR@R 560-12-2-24(2)\$ (a)(1). Cable equip: partially taxable (only digital broadcast equip. exempt), \$GCR@R 560-12-2-17(5)(a). Cable equip: partially taxable consumer level. \$GCR@R 560-12-1.7(5)(a). Cable equip: partially taxable consumer level. \$GCR@R 560-12-1.16.} Cacle taxable services are not taxed at consumer level. \$GCR@R 560-12-1.16.} Cacle taxable services are not taxed at consumer level. \$GCR@R 560-12-1.16.} Cacle taxable services are not taxed at consumer level. \$GCR@R 560-12-1.2(3)(4)(a). Services are not taxed at consumer level. \$GCR@R 560-12-1.16.} Cacle taxable services are not taxed at consumer level. \$GCR@R 560-12-1.16.} Cacle taxable services are not taxed at consumer level. \$GCR@R 560-12-1.16.} Cacle taxable services are not taxed at consumer level. \$GCR@R 560-12-1.16.} Cacle and bistorical tax taxable services are not taxed at consumer level. \$GCR@R 560-12-1.16.} Cacle and bistorical tax and bistorical tax and biostorical tax and biostorical tax and biostorical tax and boundary salabase. Cacle and bistorical tax and biometary and bioterial tax and bioterial tax and bioterial tax. and a boundary salabase. Cacle for tot limited to set at and bioterial tax and boundary salabase. Cacle for tot limited to set at and purchasers relying on DOR guid ance. \$GCR@f \$60-12-1. Cable equip: partially taxable (only digital broadcast equip, exempt), \$GCR@f \$60-12-1.24. Cable equip: partially taxable (only digital broadcast equip, exempt), \$GCR@f \$60-12-1.16. Direct pay limited to certain mid bistorical tax and boundary salabase. Vendor comp.: 3% of tax dust are specified to tax and because of tax and because of tax and because of tax and because of tax and because	theory).	SSUTA/MTC exemption	tax base for locals can	No tax imposed	GCA § 48-8-49(b)(2).		inter-
Mfg. inputs exemption includes consumable supplies, industrial materials which become part of the component product, supplies for packing TPP, and energy necessary and integral to mfg. TPP. GCA ff 48-8-3.2(a)(3), (a)(5), (b), (c). Wired and wireless equip: taxable. Services are taxed at consumer level. GCA f 48-8-2(31)(A); GCR&R 560-12-2-24(2) (a)(1). Cable equip: partially taxable (only digital broadcast equip: exempt). GCR&R 560-12-2-17(3), (4)(a). Services are not taxed at consumer level. GCR&R 560-12-2-17(3), (4)(a). Services are not taxed at consumer level. GCR&R 560-12-2-17(3), (4)(a). Services are most in mfg. making at least \$2\$. Direct pay limited to certain make make and boundary sclepts or retax and boundary sclepts or retax, and a boundary sclepts and boundary sclepts. Direct pay limited to certain mot sclepts and boundary sclepts		certs. may be used.	differs from the state	on a person merely		False claims act	est on
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supplies for packing TPP, and energy necessary and integral to mfg. TPP. GCA ff 48-8-3.2(a)(3), (a)(5), (b), (c). Wired and wireless equip: taxable. Services are taxed at consumer level. GCA ff 48-8-2(31)(A); GCR@R 560-12-2-24(2) (a)(1). Cable equip: partially taxable (only digital broadcast equip. exempt). GCR@R 560-12-2-17(3), (4)(a). Services are not taxed at consumer level. GCR@R 560-12-2-17(3), (4)(a). Services are not taxed at consumer level. GCR@R 560-12-2-62; TPP used for transmission and distribution is not exempt. GCR@R 560-12-2-62; TPP used for transmission and distribution is not exempt. Georgia Power Co. v. Cazier, 740 Similability relief for satlability relief for satlabase. Tax liability relief for satlabase and local to local. GCR@R 560-12-1- Satlabase. Frelying on DOR guidance. GCA ff 48-8-71, Statlability relief for satlabase. GCR@R 560-12-1- Sov/documents/sales- tax-rate-chart. Supplies for sataute, but DOR has suggested that the definition of "good-faith" in GCA ff 48-8-83(b). Suggested that the definition of "good-faith" in GCA ff 48-8-83(b) requires a seller to state and local to local. GCR@R 560-12-1- Sov/documents/sales- tax-rate-chart. Supplies for satate, and a boundary satlabase. Suggested that the definition of "good-faith" in GCA ff 48-8-71, Sov/documents/sales- tax-rate-chart. Supplies for sataute, but DOR has suggested that the definition of "good-faith" in GCA ff 48-8-71, Sov/documents/sales- tax-rate-chart. Supplies for sataute, but DOR has suggested that the definition of "good-faith" in GCA ff 48-8-71, Sov/documents/sales- tax-rate-chart. Supplies for sataute, but DOR has saties tax of a consumer level. GCR@R 560-12-1- Sov/documents/sales- tax-rate-chart. Supplies for satates tax of a consumer level. GCR@R 560-12-1- Sov/documents/sales- tax-rate-chart. Supplies for tax-sales f		Sellers not required to			use tax. GCA ∫ 48-8-42.	claims. GCA ∫ 23-	
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essary and integral to mfg. TPP $GCA ff$ $48-8-3.2(a)(3), (a)(5), (b), (c)$. Wired and wireless equip.: taxable. Services are taxed at consumer level. $GCA ff$ $48-8-3.2(a)(a)(a)(a)(a)(a)(a)(a)(a)(a)(a)(a)(a)($			rent and historical tax	Tax liability relief for	limited state to state		
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of good-faith* in GCA f 48-8-38(b) requires a seller to verify exemption numbers. 8-38(b) requires a seller to verify exemption numbers. 8-235(c) (1)(D). 8-2-35(c) (1)(D). 8-3-35(b) series exemption numbers. 9-2-31(c) for series it ax-rate-cbart. 9-2-31(c) for series it ax-rate-cbart. 9-2-31(c) for	48-8-3.2(a)(3), (a)(5), (b), (c).	suggested that the definition	database.	-	GCR&R 560-12-1-	not allowed.	
Wired and wireless equip.: taxable. Services are taxed at consumer level. GCA \$\int \text{ verify exemption numbers.} \text{ bitps://dorgeorgia. gov/documents/sales-tax-rate-cbart.} \text{ verify exemption numbers.} verify exemption numb		of "good-faith" in GCA ∫ 48-		, ,	.32(5).	Georgia Power	
vices are taxed at consumer level. GCA \$\int \text{ 48-8-2}(31)(A); \text{ GCR\varRenth} 560-12-2-24(2) \\ (a)(1). Cable equip.: partially taxable (only digital broadcast equip. exempt). \text{ GCR\varRenth} 560-12-2-17(3), \text{ (4)}(a). Electric and gas equip.: partially taxable. \text{ GCR\varRenth} 560-12-262; TPP used for transmission and distribution is not exempt. \text{ GCR\varRenth} 560-12-1.16. Vendor comp.: 3% of tax \\ due on first \$3,000 of total sales and use taxes report-ed, and 0.5% of portion exceeding \$3,000. \text{ GCA} \$\int \text{ 48-8-42; GCR\varRenth} 560-12-\text{ degislation} \\ (2018 \text{ GA HB} \\ 811) \text{ would allow does not apply to private-contract auditing. GCA }\int \\ \text{ million in TPP purchases per year. }\text{ GCR\varRenth} 560-12-1.16.} SE. 2d 458 (Ga. \\ App. 2013); \text{ GCA} \$\int \\ 48-2-35(c)(1)(D). Recently enactive degislation (2018 \text{ GA HB} \\ 811) \text{ would allow does not apply to private-contract auditing. No current private-label credit cards.} \text{ GCA \$\int \text{ 48-8-45(c), (d).} \\ \text{ million in TPP purchases per year. }\text{ GCR\varVerRenth} 560-12-1.16.} \text{ Mon accel. lease payments. Credits other states' tax on accel. lease payments. GcA \$\int\$ \text{ 48-2-35(c)(1)(D).} \text{ Recently enactive degislation (2018 \text{ A HB})} \text{ 84-8-42; GCR\varVerRenthe} 560-12-1.32. \text{ Bad debt deduction does not apply to private-contract auditing. No current private-label credit cards.} \text{ GCR\varVerText{ FA-8-45(c), (d).}} \text{ 48-8-45(c), (d).} \text{ 48-8-45(c), (d).} \text{ 48-8-46(e).} \text{ 48-8-46(e).}	Wired and wireless equip.: taxable. Ser-	8-38(b) requires a seller to	https://dor.georgia.			Co. v. Cazier, 740	
$48.8-2(31)(A); GCR@R 560-12-2-24(2) \\ (a)(1). \\ Cable equip.: partially taxable (only digital broadcast equip. exempt). GCR@R 560-12-2-17(3), (4)(a). Services are not taxed at consumer level. GCR@R 560-12-2 described by GCR@R 560-12-2-17(5)(a). GCR@R 560-12-2-17(5)(a). \\ Electric and gas equip.: partially taxable. \\ GCR@R 560-12-2-62; TPP used for transmission and distribution is not exempt. \\ Georgia Power Co. v. MacGinnitie, No. 2015-1 (Ga.Tax Trib. Jan. 5, 2015). Electric- GCR@R 560-12-2-24(2) \\ Vendor comp.: 3% of tax due on first $3,000 of total sales and use taxes reported, and 0.5% of portion exceeding $3,000 of GCA $1/48-2-35(c)(1)(D). \\ App. 2013); GCA $1/48-2-35(c)(1)(D). \\ Backer and use taxes reported, and 0.5% of portion exceeding $3,000. GCA $1/48-2-35(c)(1)(D). \\ Backer and use taxes reported, and 0.5% of portion exceeding $3,000. GCA $1/48-2-36(c)(1)(D). \\ Backer and use taxes reported, and 0.5% of portion exceeding $3,000. GCA $1/48-2-36(c)(1)(D). \\ Backer and use taxes reported, and 0.5% of portion exceeding $3,000. GCA $1/48-2-36(c)(1)(D). \\ Backer and use taxes reported, and 0.5% of portion exceeding $3,000. GCA $1/48-2-36(c)(1)(D). \\ Backer and use taxes reported, and 0.5% of portion exceeding $3,000. GCA $1/48-2-36(c)(1)(D). \\ Backer and use taxes reported, and 0.5% of portion exceeding $3,000. GCA $1/48-2-36(c)(1)(D). \\ Backer and use taxes reported, and 0.5% of portion exceeding $3,000. GCA $1/48-2-36(c)(1)(D). \\ Backer and use taxes reported, and 0.5% of portion exceeding $3,000. GCA $1/48-2-36(c)(1)(D). \\ Backer and use taxes reported, and 0.5% of portion exceeding $3,000. GCA $1/48-2-36(c)(1)(D). \\ Backer and use taxes reported, and 0.5% of portion exceeding $3,000. GCA $1/48-2-36(c)(1)(D). \\ Backer and use taxes reported, and 0.5% of portion exceeding $3,000. GCA $1/48-2-36(c)(1)(D). \\ Backer and use taxes reported, and 0.5% of portion exceeding $1,000. GCA $1/48-2-36(c)(1)(D). \\ Backer and use taxes reported, and 0.5% of portion exceeding $1,000. GCA $1/48-2-36(c)(1)(D).$		verify exemption numbers.		, , , , ,	No accel. lease pay-	S.E.2d 458 (Ga.	
(a) (1).Vendor comp.: 3% of tax due on first \$3,000 of totalstates' tax on accel. lease payments. $GCA \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \$			9 .		ments. Credits other	App. 2013); GCA ∫	
due on first \$3,000 of total sales and use taxes reportedigital broadcast equip. exempt). GCR&R 560-12-2-17(3), (4)(a). Services are not taxed at consumer level. GCR&R 560-12-2.17(5)(a). Electric and gas equip.: partially taxable. GCR&R 560-12-2-62;TPP used for transmission and distribution is not exempt. Georgia Power Co. v. MacGinnitie, No. 2015-1 (Ga.TaxTrib. Jan. 5, 2015). Electric- due on first \$3,000 of total sales and use taxes reported. 48-8-42; GCR&R 560- 12-132. ed legislation (2018 GA HB Bad debt deduction does not apply to private-contingent fee auditing. No current private-label credit cards. GCA \$\iiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiii		Vendor comp.: 3% of tax			states' tax on accel.	48-2-35(c)(1)(D).	
Cable equip.: partially taxable (only digital broadcast equip. exempt). GCR&R 560-12-217(3), (4)(a). Services are not taxed at consumer level. GCR&R 560-12-217(5)(a). Electric and gas equip.: partially taxable. GCR&R 560-12-262;TPP used for transmission and distribution is not exempt. Georgia Power Co. v. MacGinnitie, No. 2015-1 (Ga. Tax Trib. Jan. 5, 2015). Electric-		Ī			lease payments. GCA ∫		
digital broadcast equip. exempt). GCR&R 560-12-2-17(3), (4)(a). Services are not taxed at consumer level. GCR&R 560-12- 2-17(5)(a). Electric and gas equip.: partially taxable. GCR&R 560-12-2-62;TPP used for transmission and distribution is not exempt. Georgia Power Co. v. MacGinnitie, No. 2015-1 (Ga.Tax Trib. Jan. 5, 2015). Electric- ed, and 0.5% of portion exceeding \$3,000. GCA \$\infty\$ 48-8-50(b). 12-132. ed legislation (2018 GA HB Bad debt deduction does not apply to private-contingent fee auditing. No current private-label credit cards. GCA \$\infty\$ 48-8-45(c), (d). Georgia Power Co. v. MacGinnitie, No. 2015-1 (Ga.Tax Trib. Jan. 5, 2015). Electric-	Cable equip : partially taxable (only				48-8-42; GCR&R 560-	Recently enact-	
560-12-217(3), (4)(a). Services are not taxed at consumer level. GCR&R 560-12-2 217(5)(a). Electric and gas equip.: partially taxable. GCR&R 560-12-262;TPP used for transmission and distribution is not exempt. Georgia Power Co. v. MacGinnitie, No. 2015-1 (Ga. Tax Trib. Jan. 5, 2015). Electric- Exceeding \$3,000. GCA \$\mathcal{f}\$ 48-8-50(b). Bad debt deduction does not apply to privace-contingent fee auditing. No current private-contract auditing. No current private-contract auditing. GCA \$\mathcal{f}\$ 48-2-6(e).		_			12-132.		
taxed at consumer level. GCR&R 560-12- 2-17(5)(a). Bad debt deduction does not apply to private-label credit cards. Electric and gas equip.: partially taxable. GCR&R 560-12-262;TPP used for transmission and distribution is not exempt. Georgia Power Co. v. MacGinnitie, No. 2015-1 (Ga.Tax Trib. Jan. 5, 2015). Electric- Bad debt deduction does not apply to private-contingent fee auditing. No current private-contract auditing. GCA \$\int 48-8-45(c)\$, (d). 48-8-50(b). 811) would allow contingent fee auditing. No current private-contract auditing. GCA \$\int 48-2-6(e)\$.		_ ^ *					
217(5)(a). Direct pay limited to certain Electric and gas equip.: partially taxable. GCR&R 560-12-262;TPP used for trans- mission and distribution is not exempt. Georgia Power Co. v. MacGinnitie, No. 2015-1 (Ga.Tax Trib. Jan. 5, 2015). Electric- does not apply to private-conting diting. No current private-label credit cards. GCA \$\iiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiii		_			Bad debt deduction	811) would allow	
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Electric and gas equip.: partially taxable. GCR&R 560-12-262;TPP used for transmission and distribution is not exempt. Georgia Power Co. v. MacGinnitie, No. 2015-1 (Ga.Tax Trib. Jan. 5, 2015). Electric- mfg. making at least \$2 million in TPP purchases per year. GCR&R 560-12-116. GCA \$\int 48-8-45(c)\$, (d). private-contract auditing. GCA \$\int 48-2-6(e)\$.	2.17(3)(4).	Direct pay limited to certain			117		
### GCR&R 560-12-262;TPP used for transmission and distribution is not exempt. ### GCR&R 560-12-262;TPP used for transmission and distribution is not exempt. ### GCR&R 560-12-262;TPP used for transmission in TPP purchases per year. GCR&R 560-12-116. ### GCR&R 560-12-262;TPP used for transmission in TPP purchases per year. GCR&R 560-12-116. ### GCR&R 560-12-262;TPP used for transmission in TPP purchases per year. GCR&R 560-12-116. ### GCR ### AB-2-6(e). ### 2015-1 (Ga.Tax Trib. Jan. 5, 2015). Electric	Flectric and gas equip : partially tayable	1 '				_	
mission and distribution is not exempt. Georgia Power Co. v. MacGinnitie, No. 2015-1 (Ga. Tax Trib. Jan. 5, 2015). Electric-						_	
Georgia Power Co. v. MacGinnitie, No. 2015-1 (Ga. Tax Trib. Jan. 5, 2015). Electric-	· ·						
2015-1 (Ga.Tax Trib. Jan. 5, 2015). Electric-	_	, 5 55-55-500 12 1 120.					
	- Control of the cont						
ity and gas is taked at the consumer level.							
GCA J 48-8-2(31)(A); GCR&R 560-12-2-32.	· =						

		HAWAII				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
BOSINESS INPOTS B2B sales tax: 36%. No mfg. equip. exemption. HRS \$\insertarrow{2}37-13(2)(A). A wholesale 0.5% tax imposed on materials sold to a licensed manufacturer and incorporated into finished TPP for sale. HRS \$\insertarrow{2}37-4(a)(2). Wired and wireless equip.: taxable. Wired and wireless services are taxed at the consumer level. Cable equip.: taxable. Services are taxed at consumer level. HRS \$\insertarrow{2}37-13(6). Electric and gas equip.: taxable. Sales of electricity and gas are taxed, public service company tax. HRS \$\insertarrow{2}39-5(a).	"Good faith" req. not imposed on exemption certs. but imposed on resale certs. HAR \$\int 18-237-13-02(d)\$ (4); no rule allowing sellers at least 120 days to obtain valid certs. on audit. MTC exemption certs. may be used. Sellers not required to capture/verify exemption account numbers. HAR 18-237-30(g). No vendor comp. No broad-based direct pay provision.	4 local sales tax jurisdictions (ratio of 340,075). Central admin. of the local taxes. HRS § 46-16.8(a). All the local have the same tax base as the state. Id. Website has current tax rates but does not have not historical tax rates or a boundary database. http://tax. hawaii.gov/geninfo/get/.	Not a SSUTA member. Tax imposed on digital products as TPP. HRS \$\int 237-13(2)\$. Tax imposed on a person merely accessing pre-written computer software via general excise tax. HRS \$\int 237-13(9)\$. Limited liability relief for sellers and purchasers relying on DOT guidance.	No advance payments. Credit limited to use tax. <i>HRS</i> \$\instyle{1}\ 237-22, 238-3(i). Full credit for other states' state and local taxes. <i>HRS</i> \$\instyle{1}\ 237-22, 238-3(i). No accel. lease payments. Credits other states' tax on accel. lease payments. Bad debt deduction applies to private-label credit cards. <i>HRS</i> \$\instyle{1}\ 237-3(b), 241-4(b)(3).	PROCEDURES No written process allowing purchasers to obtain refunds from the state w/out going through the seller. False claims act does not apply tax claims. Class action suits allowed. No current contingent fee or private-contract auditing. HRS \$\instyle{2}31-13(b)(3).}	Officers' SSNs and home addresses are required on registration form, and the last 4 SSN digits are required on returns. Form BB-1 (rev. 2017), Form G-45
						(rev. 2016).

		IDAHO				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 32%.	No "good faith" req. imposed	13 local sales tax	Not a SSUTA member.	No advance payments.	No written	
	when accepting certs. $IC \int$	jurisdictions (ratio of			process allowing	
Exempts TPP primarily and directly	63-3622; no rule allowing	120,583).	Tax imposed on digital	Credit limited to use	purchasers to	
used or consumed in or during a mfg.,	sellers at least 120 days to		products because it	tax. IC ∫ 63-3621(j).	obtain refunds	
processing, mining, or fabricating	obtain valid certs. on audit,	Central admin. of the	is considered TPP, w/	Full credit for other	from the state w/	
operation. IC ∫ 63-3622D(a),(b);IDAPA	but flexible on audit. IDAPA	local taxes, except a	exceptions. IC	states' local and sales	out going through	
35.01.02.079.03.	35.01.02.128(09).	tourism tax. Locals	3616(b).	taxes. https://tax.ida-	the seller. IDAPA	
		have the same tax		bo.gov/i-1018.cfm.	35.01.02.117(02).	
Mfg. inputs limited to business segment	MTC exemption certs. may	base as the state w/	No tax imposed on			
primarily engaged in production of TPP	be used.	limited exceptions.	a person merely	No accel. lease pay-	False claims act	
that enters into and becomes an ingre-		https://tax.idaho.	accessing prewritten	ments. Credits other	does not apply to	
dient or component part of TPP manu-	ID retailers purchasing for	gov/i-1117.cfm.	computer software. IC	states' tax on accel.	taxes.	
factured, processed, mined, produced	resale must provide an ID		∫ 63-3616(b).	lease payments. State		
or fabricated for sale. IC ∫ 63-3622D(a),	permit number.	Website has cur-		and Local Advisory	Class action suits	
(b); IDAPA 35.01.02.079.03.		rent tax rates and a	No tax liability relief	Council Survey: Credit	allowed. See Ware	
	No vendor comp.	boundary database,	for sellers and purchas-	for Tax Paid Leases	v. Idaho State Tax	
Wired and wireless equip.: taxable. IDAPA	_	but it does not have	ers relying on ISTC	(4/11).	Comm'n, 98 Idaho	
<i>35.01.02.031.04.</i> Services are not taxed at	ID has a broad-based direct	historical local sales	guidance.		477, 567 P2d 423,	
consumer level. IDAPA 35.01.02.031.03.	pay provision. <i>IDAPA</i>	tax rates. https://tax.		Bad debt deduction	(1977).	
	35.01.02.112.01.	idaho.gov/i-1023.		applies to private-label		
Cable equip.: taxable. Services are not		cfm#sub3.		credit cards. IDAPA	No current	
taxed at consumer level. IC \$\int 63-3612(2);				35.01.02.063(02).	contingent fee or	
IDAPA 35.01.02.011.					private-contract	
					auditing.	
Electric and gas equip.: taxable. IDAPA						
35.01.02.079.20(c). Services not taxable.						
IC \$\int 63-3612(1); IDAPA 35.01.02.011.						

		ILLINOIS				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 37%.	"Good faith" req. imposed	1,639 local sales tax	Not a SSUTA member.	Sellers owing >	Purchasers can	Local juris-
	when accepting certs. for	jurisdictions (ratio of		\$20,000 per month	obtain refunds	dictions is-
Mfg. equip. exemption limited to M&E	services, not TPP. 86 IAC J	7,828).	No tax imposed on	must make advance	from the state	sue w/sales
directly used primarily in mfg. 35 ILCS	130.1405. Sellers only have		digital products. ST 15-	payments four times	w/out going	v. use tax
\$\int 120/2-5(14), 105/3-5(18), 110/2,	60 days to obtain valid certs.	Central admin. of local	0104 (GIL) (10/15).	per month. 35 ILCS ∫	through the sell-	litigation
115/2(e).	on audit.	taxes. Excluding Cook		120/3.	er. ST 13-0029	on distribu-
		County, locals gener-	Tax imposed w/out		(GIL) (6/13).	tion of the
Mfg. inputs exemption limited to inputs	MTC exemption certs. may	ally use the state's tax	clear statutory author-	Credit limited to		tax unfairly
that go into and form a part of TPP sold	be used. However, resale	base. Cook County	ity on a person merely	use tax. 35 ILCS ∫	False claims act	forcing
at retail. 35 ILCS \$\int 120/1; 86 IAC \$\int\$	certs. must contain purchas-	also has onerous lease	accessing pre-written	105/3-55(d). Does	allows sales tax	some
130.210(b), 130.215(b).	er's IL registration number.	transaction tax.	computer software. ST	not provide a full	claims. 740 ILCS	sellers into
			16-0033 (GIL).	credit for other states'	∫ 175/3(c).	litigation,
Wired and wireless equip.: taxable. Ser-	Sellers must capture/verify	Website has current		state and local taxes.		see City of
vices are taxed at consumer level. 35 ILCS	exemption account num-	tax rates and a bound-	Tax liability relief for	Philco Corp. v. Dep't of	Class actions	Chicago
£ 630/3.	bers. Rock Island Tobacco &	ary database but does	sellers and purchasers	<i>Revenue</i> , 40 Ill.2d 312	suits allowed.	and village
	Specialty Co. v. Illinois Dep't	not have historical	relying on erroneous	(1968).	Wong v.Whole	of Skokie
Cable equip.: taxable. Services are not	of Revenue, 409 N.E.2d 136	tax rates. http://www.	DOR guidance. 20 ILCS		Foods Mkt.	v. City of
taxed at consumer level. <i>Ill. Dept. of Rev.</i>	(3rd Dist. 1980).	revenue.state.il.us/	<i>§</i> 2520.	State accelerates	Group, Inc., 15	Kanka-
General Information Letter No. ST 04-		Publications/Sales.		certain lease payments.	C 848, 2015 WL	kee, et al.
0193-GIL (11/01/2004).	Vendor comp.: 1.75% per			Unclear if IL credits	10852508 (N.D.	(case 11
0.195	calendar year. 35 ILCS			other states' tax on	Ill June 15, 2015)	CH 29475
Electric and gas equip.: taxable. 35 ILCS	JJ 105/9, 110/9, 115/9,			accel. lease payments.	(settled 2015).	(10/2015)).
$\int 120/2-45$. Services are not taxed at	120/3.					
consumer level. 86 IAC \$\int 130.101.				Bad debt deduction	DOR does	
Constant 16.00 110 y 130.101.	IL has a broad-based direct			applies to private-label	not engage in	
	pay provision, but the appli-			credit cards. 86 IAC ∫	private-contract	
	cation process is detailed.			130.1960(d); 35 ILCS	auditing or	
	86 IAC			§§ 120/6d(a), (b).	contingent fee	
					auditing.	

INDIANA							
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES	
B2B sales tax: 32%. Mfg. equip. exemption limited to M&E directly used in mfg. <i>IC</i> \$\int 6-2.5-5-3(b)\$. Mfg. inputs exemption includes TPP incorporated as a material part, as well as TPP consumed in the direct production of other TPP. <i>IC</i> \$\int 6-2.5-5-6, -5.1; 45 IAC	No "good faith" req. imposed when accepting certs. <i>IC</i> ∫ 6-2.5-8-8(a); sellers allowed 120 days to obtain valid certs. on audit. <i>IC</i> ∫ 6-2.5-8-8(e). SSUTA exemption certs. may be used.	No local sales tax jurisdictions. Website has current and historical tax rates. http://www.in.gov/dor/4147.htm.	Full SSUTA member. Tax imposed on digital products under the categorization of "retail transactions." <i>IC</i> JJ 6-2.5-2-1, 6-2.5-4-16.4(b).	No advance payments. Credit limited to use tax. IC \(\int \) 6-2.5-3-5. Does not provide full credit for other states' local taxes. No accel. lease pay-	Purchasers may obtain refunds from the state w/out going through the seller. IC § 6-2.5-6-13.	Generally, SSN and home addresses are re- quired for registra- tions and returns.	
2.2-5-14(d); 2.2-5-12(a). Wired and wireless equip.: exempt; services are taxed at consumer level. IC 6-2.5-4-6, 6-2.5-5-13. Cable equip.: exempt. Information Bulletin #17 (9/09). Services are taxed at consumer level. IC 6-2.5-4-11; 45 IAC 2.2-4-30. Electric equip.: taxable. IC 6-2.5-5-3(c). Gas equip.: exempt. IC 6-2.5-5-3(b);	Sellers not required to capture/verify exemption account numbers. Vendor comp.: 0.73% for sellers < \$60,000 in tax liability in prior year, 0.53% for sellers with tax liability between \$60,000 to \$600,000, and 0.26% for sellers > \$600,000. IC \$\int 6-2.5-6-10(b).		S.B. 257, signed 3/23/18, clarified that a person merely accessing pre-written computer software is not taxable. <i>Sales Tax Bulletin 8 (12/16)</i> . Tax liability relief for sellers and purchasers relying on DOR guidance. <i>IC § 6-2.5-11-11</i> .	ments. Credits other states' tax on accel. lease payments. Bad debt deduction does not apply to private-label credit cards. Home Depot U.S.A., Inc. v. Indiana Dep't of Rev., Case No. 49T10-0703-TA-11 (July 28, 2008); IC J 6-2.5-6-9.	does not apply to taxes. $IC \int 5-11-5.5-2(a)(1)$. Class action suits not allowed unless a person has previously filed a valid refund claim. $IC \int \int 6-8.1-9-7$, $6-8.1-9-1(a)$.	E-registration is also required. http:// www. in.gov/ dor/4324. htm.	
Electricity and gas sold to consumers is taxed. <i>IC JJ</i> 6-2.5-1-27, 6-2.5-4-5.	Direct pay allowed for mfg., retailing, and wholesaling. <i>IC</i> f 6-2.5-8-9; 45 IAC 2.2-8-15.				No current contingent fee or private-contract auditing.		

IOWA							
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES	
B2B sales tax: 47%.	No "good faith" req. imposed when accepting	194 local sales tax jurisdictions (ratio of	Full SSUTA member.	Advance payments must be made depend-	Purchasers can obtain refunds		
Mfg. equip. exemption includes computers, machinery, equip., replacement parts, and supplies, if the property is	certs. IC \$\int 423.45(4); IAC r.701-15.3(1)(b); sellers allowed 120 days to obtain	15,703). Central admin. of	No tax imposed on digital products. $IC \int$ 423.3(67).	ing on filing frequency (more than \$60k per year requires 2 monthly	from the state w/ out going through the seller. IA 843		
directly and primarily used in mfg. $IC \int 423.3(47)(a)(1)$.	valid certs. on audit. $IC \int 423.51(3)(b)$.	the local taxes. <i>IC J</i> 423B.6; <i>IAC</i> r.701- 107.15. Locals use the	No tax imposed on a person merely	payments). <i>IC</i> § 423.31. Credit limited to use	Claim for Refund (7/15).		
Mfg. inputs exemption limited to TPP that becomes an integral part of other TPP sold at retail. <i>IC ff</i> 423.3(51), 423.6(3).	MTC and SSUTA exemption certs. may be used. Sellers not required to	same tax base as the state. IC \(\int 423B.5; IAC \) r.701-107.9.	accessing pre-written computer software. Revenue Policy Letter No. 1230002 (1/12).	tax. IC \(\int 423.22; IAC\) r.701-223.2(423). Full credit for other states' state and local taxes. IC	False claims act excludes tax claims. <i>IC</i> ∫ 685.2(5).		
Wired and wireless equip.: exempt. <i>IC</i> \$\int 423.3(47A); <i>IAC</i> r.701-224.9. Services are taxed at consumer level. <i>IC</i> \$\int 423.2(2),	capture/verify exemption account numbers.	Website has current tax rates and a boundary database. It also has historical	Tax liability relief limited to SSUTA reqs. <i>IC</i> \int 423.52.	\$\int 423.22; IAC r.701-30.7(423). State accelerates cer-	Class actions suits not allowed, refund claim must		
(9); IAC r.701–224.3(1). Cable equip.: exempt. IC \$\int 423.3(47A); IAC r.701–224.9. Services are taxed at consumer level. IC. \$\int 423.2(2), 423.2(6)	No vendor comp. Direct pay limited to applicants with at least \$4,000 of tax liability per half-month.	states tax rates, but not local tax rates. https://tax.iowa.gov/ iowa-tax-rate-histo- ry#sales.	423.32.	tain lease payments. No credit for other states' tax on accel. lease payments. <i>IAC r.701-30.7</i> .	be filed with state. Bass v.J.C. Penney Co., Inc., 880 N.W.2d 751 (Iowa 2016).		
Electric and gas equip.: Limited exemption. <i>IC</i> § 423.3(54). Electricity and gas is taxed for commercial users. <i>IC</i> § §	IC § 423.36(9).	iy "suics.		Bad debt deduction does not apply to private-label credit cards. <i>IC</i> § 423.21; <i>Letter of</i>	No current contingent fee or private-contract		
423.3(2), (84).				Findings, Document Reference: 02300051.	auditing.		

		KANSAS				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 41%. Mfg. equip. exemption includes most M&E that is an integral or essential part of a production operation by a mfg. facility. KSA \$\infty\$ 79-3606(m), (n), (kk)(1). Mfg. inputs exemption covers TPP consumed in production, or that becomes an ingredient or component of a manufactured item. KSA \$\infty\$ 79-3606(m), (n). Wired and wireless equip.: taxable. KAR 92-20-20, -21. Services are taxed at consumer level. KSA \$\infty\$ 79-3603(b). Cable equip.: taxable. KSA \$\infty\$ 79-3603(k). Services are taxed at consumer level. Id. Electric and gas equip.: exempt. KSA \$\infty\$ 79-3606(kk)(D). Electricity and gas sold to consumers is taxed, w/exemptions for	No "good faith" req. imposed when accepting certs. <i>KSA</i>	641 local sales tax jurisdictions (ratios of 4,451). Central admin. of the local taxes. KSA ff 12-189, 12-198(a), (b); KAR 92-21-6. Locals can vary from the state's tax base. KSA f 12-189a(a)-(c); KAR 92-21-6. Website only has current tax rates going back to 2016. Must contact DOR for other tax rates. Website has boundary database. http://www.ksrevenue.org/salesratechanges.html.; KSA f	Full SSUTA member. No tax imposed on digital products. <i>Kansas Information Guide EDU-71R(III)(e)</i> . No tax imposed on a person merely accessing pre-written computer software. <i>Id</i> . Tax liability relief for sellers and purchasers relying on DOR guidance. <i>KSA § 79-3667</i> .	Sellers > \$40K per year must make advance payments based on first 15 days of each month w/prior month's return due date. KSA § 79-3607(a). Credit limited to use tax. KSA § 79-3705. Full credit for other states' state and local taxes. No accel. lease payments. Credits other states' tax on accel. lease payments. KAR 92-19-55b(b)(5). Bad debt deduction does not apply to pri-		ISSUES
noncommercial and agricultural use, and electricity consumed in production. KSA ff 79-3606(c), (n).		79-3667.		vate-label credit cards. KSA ∫ 79-3674(a); KAR 92-19-3b(c), -3b(d)(1).		

KENTUCKY							
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES	
B2B sales tax: 44%.	No "good faith" req. imposed	No local sales tax	Full SSUTA member.	No advance payments.	No written pro-		
	when accepting certs.	jurisdictions.			cess allowing pur-		
Only covers machinery (not replacement	<i>KRS</i> ∫ 139.270(1); sellers		Tax imposed on	Credit not limited	chasers to obtain		
machinery) for new and expanded in-	allowed 120 days to obtain	There are no local	"retail sales" of digital	to use tax. KRS J	refunds from the		
dustry used directly in mfg. Replacement	valid certs. on audit. KRS ∫	taxes and the state	products. KRS ∫	139.510(1).	state w/out going		
machinery not exempt w/limited excep-	139.270(3)(a).	rate has not changed	139.200(1).		through the seller.		
tions. KRS JJ 139.010(15), 139.480(10);		since 1990.		Does not provide credit	KRS ∫ 134.580.		
103 KAR 30:120, ∫ 2.	Allows use of SSUTA certs.		No tax imposed on	for other states' local			
	Limits use of MTC exemp-		a person merely	taxes. KRS J 139.510.	No false claims		
Mfg. inputs exemption limited to raw	tion certs. for resale. KRS J		accessing pre-written		act.		
materials, supplies, and industrial tools	139.270(1).		computer software.	No accel. lease pay-			
which enter into and become an ingredi-				ments. Credits other	Class action suits		
ent or component part of the manufac-	Sellers not required to		Tax liability relief for	states' tax on accel.	not allowed. KRS		
tured product. KRS ∫ 139.470(10).	capture/verify exemption		sellers and purchas-	lease payments.	JJ 134.580(3).		
	account numbers but must		ers relying on DOR				
Wired and wireless equip.: taxable. KRS ∫	obtain an identification		guidance. KRS ∫	Bad debt deduction	No current con-		
139.200. Services are taxed at consumer	number.		139.795(6).	does not apply to pri-	tingent fee and		
level and also subject to GRT. Id.				vate-label credit cards.	private-contract		
	Provides limited vendor			KRS J 139.350.	auditing.		
Cable equip.: taxable. KRS	comp.: 1.75% < \$1,000, then						
Services subject to excise tax and MVP	1.5% of the remainder on						
GRT. KRS J 136.604, 136.616.	each return (\$50 cap per						
	reporting period). KRS ∫						
Electric and gas equip.: taxable. Exemp-	139.570.						
tion limited to mfg. KRS J 139.480(3).							
Services are taxed. KRS	Direct pay limited to certain						
	industries and at least \$10						
	million of TPP. 103 KAR						
	31:030.						

		LOUISIANA				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 41%.	"Good faith" req. imposed	452 local sales tax	Not a SSUTA member.	No advance payments.	While state has a	State's
	when accepting certs.; no	jurisdictions (ratio of			written process al-	tax base
Mfg. equip. is taxed w/reduced rate of	rule allowing sellers at least	10,030).	Tax imposed w/out	Credit not limit-	lowing purchasers	is not
1-2%; limited to equip. predominately and	120 days to obtain valid		clear statutory author-	ed to use tax. LSA	to obtain refunds	uniform,
directly used in mfg. of TPP for sale. LSA	certs. on audit.	Local authorities	ity on digital products	II 47:303(A)(3),	from the state w/	certain
$\int \int 47.301(3)(i)(i), (13)(k), (28)(a).$		self-administer the tax-	downloaded and saved	47:337.86.	out going through	exemp-
	MTC and SSUTA certs. may	es. LSA J 47:337.13.	in LA.		the seller, locals	tions
Mfg. inputs exemption limited to materi-	not be used.	Local authorities		Full credit for other	may not allow.	do not
als for further processing into articles of		have autonomy in	No tax imposed	states' state and local		apply to
TPP for sale at retail. LSA ∫ 47:301(10)	Sellers not required to	interpreting what is	on person merely	taxes. LSA \(\int 47:303(A) \)	False claims act	the ad-
(c)(i)(aa), (18)(d)(i). TPP consumed in	capture/verify exemption	subject to tax separate	accessing pre-written	(3).	does not apply	dition-al
mfg. process is subject to a state-level tax	account numbers.	from the state. LSA J	computer software.		to taxes. LSA J	"clean"
rate of 3% (tax sunsets on July 1, 2018).		47:338.54(A)(1).	Louisiana PLR 05-003	No accel. lease pay-	46:439.3 et seq.	penny
Limited mfg. exclusion w/NAICS codes	Vendor comp.: 0.935% of		(3/05).	ments. Unclear if LA		tax.
3211-3222 and 113310. LSA ∫ 47:301(3)	the tax due (capped at	Website has current		credits against other	Class action suits	
(k)(i).	\$1,500 per month). <i>LSA</i> ∫	tax rates, but not	No tax liability relief	states' tax on accel.	not allowed. Clark	
	47:306(A)(3)(a).	historical tax rates nor	for sellers or purchas-	lease payments.	v. State, 30 So. 3d	
Wired and wireless equip.: taxable.		a boundary database.	ers relying on DOR		812 (La.App. 1st	
Services taxed at consumer level. LSA JJ	Direct pay limited to quali-	http://www.revenue.	guidance.	Bad debt deduction	Cir. 2009).	
47:301(14)(i), 47:302(C), 47:331(C); LA	fying mfg. with taxable pur-	louisiana.gov/Sale-		does not apply to pri-		
Rev. Bull. No. 04-005, 01/21/2004.	chases or leases of at least	sTax/SalesTaxRates.		vate-label credit cards.	Contingent fee	
	\$5M over the last 3 years,			LSA ∫ 47:315(B); 61	auditing is prohib-	
Cable equip.: taxable. Services are	LSA ∫ 47:303.1.			LAC ∫ I.4369(B).	ited. Some locals	
not taxed at consumer level. LSA JJ					use private-con-	
47:305.16, 47:301(29)(x); Normand v.					tract auditing.	
Cox Commc'ns LA, LLC, 167 So.3d 156						
(La. Ct. App. 5 Cir. 2014).						
Electric and gas equip.:taxable w/re-						
duced state machinery rate of 1%. LSA f						
47:301(3)(i)(i), (i)(ii). Commercial and						
industrial use taxed. LSA ∫ 47:305(D)(1).						

		MAINE				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 35%. Mfg. equip. exemption covers machinery used directly and primarily to produce TPP for sale, or for R&D. MRS § 1760(31) (A), (32). Mfg. inputs exemption covers inputs that become an ingredient or component part of or are consumed or destroyed directly and primarily in the production. MRS §	"Good faith" req. imposed when accepting certs. under certain circumstances. MRS Instructional Bulletin No. 36(3)(A); no rule allowing sellers at least 120 days to obtain valid certs. on audit, but flexible on audit. Limited use of MTC exemption certs, for nonresident	No local sales tax jurisdictions. Website has current and historical tax rates. http://www.maine.gov/revenue/salesuse/Reference-Guide2017.pdf.	Not a full SSUTA member. Tax imposed on digital products. MRS JJ 1752(9-E), (17), 1811. No tax imposed on a person merely accessing pre-written computer software.	No advance payments. Credit not limited to use tax. MRS § 1862. Full credit for other states' state and local taxes. State has accel. lease payments. No credit against other states' tax	Purchasers can obtain refunds from the state. Form APP-153 (11/17). No false claims act. Class action suits allowed. Flippo v. L.L. Bean, Inc.,	
and primarily in the production. <i>MRS J</i> 1760(74). Wired and wireless equip.: taxable. Services are taxed at consumer level. <i>MRS J</i> 2552. Cable equip.: taxable, w/ broadcast signals exemption. <i>MRS J</i> 1760(31)(A). Services taxed at the consumer level. <i>MRS J</i> 2552. Electric and gas equip.: exempt. Services	retailers only. 18 125 CMR 301, \$\int 5\$. Sellers must capture/verify exemption account numbers. No vendor comp. Direct pay limited to applicants who engage in mfg.		No tax liability relief for sellers and purchasers relying on MRS guidance, but penalty relief may be available. <i>MRS J 187-B(7)</i> .	against other states tax on accel. lease payments. Bad debt deduction does not apply to private-label credit cards. MRS § 1811-A.	W.L.L. Bean, Inc., 898 A.2d 942 (Me. 2006). No current contingent fee or private-contract auditing.	
taxed at the consumer level, w/limited exemption for residential electricity and gas. MRS JJ 1760(9-B), (9-C).	and utilities. 18 125 CMR § 308.					

	MARYLAND								
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES			
B2B sales tax: 42%.	"Good faith" req. imposed	No local sales tax	Not a SSUTA member.	No advance payments.	Purchasers can				
Mfg. equip. exemption covers TPP used directly and predominately at any stage of production in mfg. MCA, Tax-Gen. ∫ 11-210(b); COMAR 03.06.01.32-2.C. Mfg. inputs exemption limited to TPP purchased for use as a material or part of other TPP purchased for sale. MCA, Tax-Gen. ∫ 11-101(b)(3)(ii)(2). Wired and wireless equip.: taxable. CO-MAR 03.06.01.01(B)(2). Wired services are not taxed, but wireless services are taxed at consumer level. MCA, Tax-Gen. ∫ 11-101(m)(4); COMAR 03.06.01.01(B)(2). Cable equip.: taxable. MCA, Tax-Gen. ∫ 11-210(d); TV subscription services are not taxed but pay-per-view TV is taxed at consumer level. MCA, Tax-Gen. ∫ 11-101(m). Electricity and gas equip.: exempt. MCA, Tax-Gen. ∫ 11-101(f)(1)(i)(ii). Services	"Good faith" req. imposed when accepting certs. <i>MCA</i> , <i>Tax-Gen</i> . § 11-408(b); <i>COMAR</i> 03.06.14; sellers allowed only 60 days to obtain valid certs. on audit. <i>MCA</i> , <i>Tax-Gen</i> . § 11-408(b)(4)(ii); <i>COMAR</i> 03.06.01.14.F. Limited use of MTC and SSUTA exemption certs. Sellers must capture/verify exemption account numbers. <i>COMAR</i> 03.06.01.22(D)(2). Vendor comp.: 1.2% on the first \$6,000 and 0.9% on the remainder (capped at \$500 per period). <i>MCA</i> , <i>Tax-Gen</i> . § 11-105. Direct pay limited to vendors who have entered into Effective Rate Agreements	No local sales tax jurisdictions. Website has current tax rates, but not historical tax rates (no tax rate change last 5 years). http://taxes.marylandtaxes.com/Business_Taxes/Business_Tax_Types/Sales_and_Use_Tax/Tax_Information/Tax_Rates/.	Not a SSUTA member. No tax imposed on digital products. <i>Email from Comptroller</i> . No tax imposed on a person merely accessing pre-written computer software. No tax liability relief for sellers or purchasers relying on DOR guidance.	No advance payments. Credit not limited to use tax. MCA, Tax-Gen. \$\int 11-221(c)\$. Does not provide credit for other states' local taxes. MCA, Tax-Gen. \$\int 11-221(c)\$. No accel. lease payments. No credit against other states' tax on accel. tax payments. COMAR 03.06.01.28. Bad debt deduction does not apply to private-label credit cards. COMAR 03.06.03.07(A), (B).	Purchasers can obtain refunds from the state w/out going through the seller if the refund is \$1,000+. COMAR 03.06.03.05B(2). False claims act does not apply to taxes. MCA, Gen. Prov. § 8-101. Class action suits not allowed. Hooks v. Comptroller, 265 Md. 380 (1972). No current contingent fee or private-contract auditing.				
are taxed at consumer level, w/exemption	with the Comptroller. MCA,								
for residential use. MCA, Tax-Gen. ff 11-	Tax-Gen. ff 11-407(a), (c)								
101(k)(2)(iii), -207, -210(a)(2).	(2)(i).								

		MASS	SACHUSETTS			
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 48%.	"Good faith" req. imposed	No local sales tax	Not a SSUTA member.	No advance pay-	Purchasers can	State is pushing for
	when accepting certs. 830	jurisdictions.		ments.	obtain vendor's	real time collection of
Mfg. equip. exemption limited	CMR 64H.8.1(4)(b); sellers		No tax imposed on		consent to file	the sales tax - see STRI
to materials, tools, fuel, and	allowed only 60 days to	Website has current	digital products. Mas-	Credit limited	claim on its	Study at: http://cost.org/
machinery used directly and	obtain valid certs. on audit.	tax rates.	sachusetts Technical	to use tax. MGL	behalf. <i>Technical</i>	globalassets/cost/state-
exclusively in "actual manufac-	830 CMR 64H.8.1(4)(d).	https://www.mass.	Information Release	c.64I, ∫ 7(c). Full	Information	tax-resources-pdf-pages/
ture" of TPP to be sold. MGL		gov/service-details/	TIR 05-8, (VII)(B)(8)	credit for other	Release 15-2.	cost-studies-articles-re-
c.64H, JJ 6(s).	MTC and SSUTA exemption	learn-about-massa-	(7/05).	states' state and		ports/daily-sales-tax-col-
	certs. may not be used.	chusetts-tax-rates.		local taxes. Massa-	False claims act	lection-sys-
Mfg. inputs exemption limited			Tax imposed w/out	chusetts Technical	excludes tax	tem-could-cost-massachu-
to materials, tools, fuel, and	Sellers not required to		clear statutory author-	Information Re-	claims. MGL c.	setts-businesses-\$1.2-bil-
machinery used directly and	verify exemption account		ity on a person merely	lease TIR 03-1(III).	12, ∫5B(d).	lion.pdf.
exclusively in "actual manufac-	numbers.		accessing pre-written			
ture" of TPP to be sold. MGL			computer software. 830	No accel. lease	Class action suits	
c.64H, JJ 6(r).	No vendor comp.		CMR 64H.1.3(3)(a),	payments. No	not allowed.	
	1		(14); L.R. 12-8.	credit against	McGonagle v.	
Wired and wireless equip.: tax-	Direct pay allowed to			other states' tax	The Home Depot	
able. Services taxed at consum-	purchasers with taxable pur-		No tax liability relief for	on accel. lease pay-	U.S.A., Inc., 915	
er level. 830 CMR 64H.1.6(4).	chases > \$1M per year. 830		sellers and purchasers	ments. MGL c.64I,	N.E.2d 1083	
	CMR 64H.3.1(4)(a)(2).		relying on DOR guid-	$\int 7(c)$.	(Mass.Appls. Ct.	
Cable equip.: exempt. MGL	3.1.1. 0 -1-1.3.1 (3) (13) (2)		ance. <i>MGL c. 62C</i> , <i>∫</i> 36B.		2009).	
c.64H, $\int \int G(r)$, (s). Services not				Bad debt deduc-		
taxed at consumer level. 830				tion does not ap-	No current	
CMR 64H.1.6(6).				ply to private-label	contingent fee or	
				credit cards. MGL	private-contract	
Electric and gas equip.: ex-				с.64Н, ∫ 33.	auditing.	
empt. $MGL\ c.64H$, $\int \int G(r)$, (s).						
Electricity and gas services						
are taxed, w/some exceptions.						
MGL c.64H, $\int 1$.						
			I.			

		MICHIGAN				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 36%.	No "good faith" req. at sale	No local sales tax	Full SSUTA member.	Sellers must make mul-	Purchasers re-	
	when accepting certs.	jurisdictions.		tiple advance payments.	quired to obtain	
Mfg. equip. exemption covers TPP used	<i>MCL ∫</i> 205.62; sellers		No tax imposed on	MCL ∫ 205.56(2)(b).	refunds from	
or consumed in industrial processing. "In-	allowed 120 days on audit	Website had current	digital products. SSUTA		the seller. $MCL \int$	
dustrial processing" is a broadly defined.	to obtain valid certs. MCL f	tax rates and histori-	Taxability Matrix.	Credit not limited	205.27a.	
$MCL \int \int 205.54t(1), (7)(a).$	205.62(7).	cal tax rates. https://		to use tax. MCL f		
		www.michigan.gov/	No tax imposed on a	205.94(1)(e). Full cred-	False claims act	
Mfg. inputs exemption broadly covers	MTC and SSUTA exemption	documents/treasury/	person merely access-	it for other states' state	does not apply	
ingredients, components, fuels and energy	certs. may be used.	SalesUseTaxRe-	ing pre-written com-	and local taxes. MCL ∫	to taxes. MCL ∫	
used or consumed in industrial process-		port2012_432538_7.	puter software. MCL J	205.94(1)(e).	400.601 et seq.	
ing. $MCL \int 205.54t(7)(a)$.	Sellers are not required to	pdf.	205.51a(o);Auto-Own-			
	capture/verify exemption		ers Ins. Co. v. Dep't of	No accelerated lease	No known use of	
Wired and wireless equip.: partially	account numbers, but for		Treas., 880 N.W.2d 337	payments. Credit	class action suits.	
taxable (10%). MCL \(\int 205.54v; MAC \)	resale claims, the seller		(Mich.App. 2015).	against other states'		
<i>r.205.110(5)</i> , <i>(6)</i> . Services are taxed at	must keep a record of the			tax on accel. lease	No current	
consumer level. MCL § 205.93b.	purchaser's license number		Tax liability relief for	payments. MCL f	contingent fee or	
	(if the purchaser has one).		sellers and purchasers	205.94(1)(e).	private-contract	
Cable equip.: taxable. <i>MCL</i> $\int 205.93b(9)$	MCL ∫ 205.68(1).		relying on written		auditing.	
(m)(vii). Services are not taxed at con-			guidance as provid-	Bad debt deduction		
sumer level. <i>MCL</i> \(\int 205.93a(5)(s).	Vendor comp.: 0.5% of the		ed by RAB 2016-20.	applies to private-label		
	tax due monthly at a rate of		Michigan SSUTA	credit cards. MCL ∫		
Electric and gas equip.: exempt. MCL \$\infty\$	4% (capped at \$20,000 per		Cert. of Compliance,	205.54i(b)(iii).		
205.54t. Electricity and gas sold to con-	month).		08/01/2015.			
sumers are taxed at a reduced rate of 4%.						
MCL \(\int 205.51a(q); \) MAC r.205.115(1).	MI has a broad-based direct					
1.102 y 200,010 (q),11110 1.200,1119(1).	pay provision. ∫ 205.98,					
	Michigan Revenue Admin-					
	istrative Bulletin 2000-3					
	(6/00).					
	(6/00).					

MINNESOTA								
SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES			
No "good faith" req. imposed	62 local sales tax	Full SSUTA member.	Sellers owing \$250,000	State has limited				
when accepting certs. MS	jurisdictions (ratio of		or more during the pre-	written process al-				
<i>J</i> 297A.72; sellers allowed	85,547).	Tax imposed on spec-	vious year must make	lowing purchasers				
120 days to obtain val-		ified and other digital	advance payments. MS	to obtain refunds				
id certs. on audit. MS ∫	Central admin. of	products as defined.	∫ 289A.20, subd. 4(b).	from the state w/				
297A.665(b)(2)(i).	the local taxes. MS f	MS JJ 297A.61(3)(l);		out going through				
	297A.99(9)(a). Locals	297A.61, subd. 4(o).	Credit limited to use	the seller. MS ∫				
SSUTA certs. may be used.	have the same tax		tax. MS ∫ 297A.80. Full	289A.50, subd. 2a.				
MS ∫ 297A.72.	base at the state. Id.	No tax imposed on	credit for other states'					
		a person merely	state and local taxes.	False claims act				
Sellers must capture the	State has current tax	accessing pre-written	MS ∫ 297A.80.	excludes tax				
purchaser's MN ID numbers	rates, and a boundary	computer software. MS		claims. MS ∫				
(or other information if MN	database. Historical	\$ 297A.61, subd. 3(f);	State accelerates	15C.03.				
ID is unavailable) but are	information not found.	DOR Sales Tax Fact	certain lease payments.					
not required to verify them.		Sheet 134 (08/16).	Credits other states' tax	No known use of				
	http://www.revenue.		on accel. lease pay-	class action suits.				
No vendor comp.	state.mn.us/business-	Tax liability relief	ments. MS ∫ 297A.80.					
-	es/sut/Pages/Local_	limited to sellers and		No current				
MN has a limited di-	Tax_Info.aspx.	purchasers relying on	Bad debt deduction	contingent fee or				
rect pay provision. MR		rates and boundary da-	does not apply to pri-	private-contract				
8130.3400(4).		tabase. MS J 297A.995,	vate-label credit cards.	auditing.				
		subd. 10.	MS JJ 297A.81, subd.					
			2, 289A.40, subd. 2; MR					
			8130.7400, subpart 1.					
	No "good faith" req. imposed when accepting certs. MS \$\insert 297A.72\$; sellers allowed 120 days to obtain valid certs. on audit. MS \$\insert 297A.665(b)(2)(i)\$. SSUTA certs. may be used. MS \$\insert 297A.72\$. Sellers must capture the purchaser's MN ID numbers (or other information if MN ID is unavailable) but are not required to verify them. No vendor comp. MN has a limited direct pay provision. MR	SALES TAX ADMINISTRATION No "good faith" req. imposed when accepting certs. MS \$\int 297A.72\$; sellers allowed 120 days to obtain valid certs. on audit. MS \$\int 297A.665(b)(2)(i)\$. Central admin. of the local taxes. MS \$\int 297A.99(9)(a)\$. Locals SSUTA certs. may be used. MS \$\int 297A.72\$. Sellers must capture the purchaser's MN ID numbers (or other information if MN ID is unavailable) but are not required to verify them. No vendor comp. SALES TAX TAX ADMIN. 62 local sales tax jurisdictions (ratio of 85,547). Central admin. of the local taxes. MS \$\int 297A.99(9)(a)\$. Locals have the same tax base at the state. Id. State has current tax rates, and a boundary database. Historical information not found. http://www.revenue. state.mn.us/business-es/sut/Pages/Local_ Tax_Info.aspx.	SALES TAX ADMINISTRATION No "good faith" req. imposed when accepting certs. MS \$\int 297A.72\$; sellers allowed 120 days to obtain valid certs. on audit. MS \$\int\$ Central admin. of the local taxes. MS \$\int 297A.665(b)(2)(i)\$. SSUTA certs. may be used. MS \$\int 297A.72\$. SUTA certs. may be used. MS \$\int 297A.61(3)(i)\$; 297A.99(9)(a). Locals have the same tax base at the state. Id. No tax imposed on specified and other digital products as defined. MS \$\int 297A.61(3)(i)\$; 297A.99(9)(a). Locals have the same tax base at the state. Id. No tax imposed on a person merely accessing pre-written computer software. MS \$\int 297A.61\$, subd. 3(f); Or other information if MN ID is unavailable) but are not required to verify them. No vendor comp. SALES TAX ADMIN. ETANSPARENCY Full SSUTA member. Full SUTA member. Full SSUTA member. Full SSUTA member. Full SUTA member. Full Sulfanital of the digital products as defined. MS \$\int 297A.61(3)(l); 297A.61, subd. 4(o). No tax imposed on a person merely accessing pre-written computer software. MS \$\int 297A.61, subd. 4(o). No tax imposed on a person merely accessing pre-written computer software. Full SULFANITAL TAX imposed on a person merely accessing pre-written computer software. Full	SALES TAX ADMINISTRATION No "good faith" req. imposed when accepting certs. MS £ 2974.72; sellers allowed 120 days to obtain valid certs. on audit. MS £ 2974.665(b)(2)(i). SSUTA certs. may be used. MS £ 2974.72. SSUTA certs. may be used. MS £ 2974.72. SSUTA certs. may be used. MS £ 2974.72. Sellers must capture the purchaser's MN ID numbers (or other information if MN ID is unavailable) but are not required to verify them. No vendor comp. No vendor comp. Sellers tax jurisdictions (ratio of 85,547). Full SSUTA member. Full SUTA member. Full SUT	SALES TAX ADMINISTRATION No "good faith" req. imposed when accepting certs. MS when accepting certs. MS j 2974.72; sellers allowed lid certs. on audit. MS f 2974.665(b)(2)(i). SSUTA certs. may be used. MS f 2974.72. SEllers must capture the purchaser's MN ID numbers (or other information if MN ID is unavailable) but are not required to verify them. No vendor comp. SALES TAX ADMIN. SIMPLIFICATION & REASONABLE PAYMENT ADMIN. Sellers owing \$250,000 or orre during the previous year must make advance payments. MS written process allowing purchasers to obtain refunds from the state W/ out going through the seller. MS f 2974.61(3)(i); 2974.61(

		MISSISSIPPI				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 36%. Mfg. equip. for machinery used exclusively and directly in mfg. is taxable w/ reduced rate of 1.5%. MCA £ 27-65-17(1) (e); MCR £ 35-IV7.03(100). This exemption is limited to "plant use." Mfg. inputs exemption limited to raw materials, catalysts, chemicals, and welding or other industrial gases (other than natural gas). MCA £ 27-65-101(1)(b); MCR £ 35-IV7.03(403). Wired and wireless equip.: partially taxable. MCA £ 27-65-101(5); £ 57-73-21(14)(b). Services are taxed at consumer level. MCA £ 27-65-19(1)(d)(i)(1). Cable equip.: partially taxable. MCA £ 57-73-21(14), 27-65-101(5)(a)(v). Cable services are taxable. MCA £ 27-65-23. Electric equip.: taxable at 1.5% rate. MCR £ 35-IV7.03(100). Gas equip. is taxable. Electricity and gas sold to consumers are taxed, but there are certain exemptions. MCA £ 27-65-19, -19(1)(a)(i).	No exemption cert. process. Must rely on exemption ruling. <i>MCR f</i> 35-IV-03.06(111); no rule allowing sellers at least 120 days to obtain valid certs. on audit. MTC and SSUTA exemption certs. may not be used. Purchaser must provide seller with exemption authorization letter issued by DOR. <i>MCR f</i> 35-IV-03.06(111), 35-IV-03.07(101)). Vendor comp.: 2% of tax due (capped at \$50 per month and \$600 per calendar year). <i>MCA f</i> 27-65-33(1). Direct pay limited to certain industries. <i>MCA f</i> 27-65-93; <i>MCR f</i> 35-IV-01(301)-(304).	2 local sales tax jurisdictions (ratio of 1,483,649). Central admin. of the local taxes. MCA § 27-65-241(5)(a). Locals use the same tax base as the state. MCA § 27-65-241(2). Website has current tax rates but does not have historical tax rates. http://www.dor. ms.gov/Business/ Pages/Sales-Tax-Rates. aspx. DOR website does not have a boundary database.	Not a full SSUTA member. Tax imposed on digital products. <i>MCA</i> § 27-65-26. No tax imposed on a person merely accessing pre-written computer software. <i>MCR</i> § 35-IV-05.06(300). Limited tax liability relief for sellers and purchasers who receive a letter ruling from the agency. <i>MCR</i> § 35-I-1.01(108).	Sellers averaging > \$50,000 monthly must make one advance payment each June that equals 75% of the current June's liability or 75% of the prior June's liability. <i>MCA J</i> 27-65-33. Credit limited to use tax. <i>MCA J</i> 27-67-7(a). Full credit for other states' state and local taxes. <i>MCR J</i> 35-IV-1.06(100). No accel. lease payments. No credit against other states' tax on accel. lease payments. <i>State and Local Advisory Council Survey: Credit for Tax Paid Leases</i> (4/11). Bad debt deduction does not apply to private-label credit cards.	Purchasers required to obtain refunds from the seller. False claims act excludes tax claims. MCA £ 43-13-201 et seq. Class action suits not allowed. American Bankers Ins. Co. of Florida v. Booth, 830 So.2d 1205 (Miss. 2002). Recent legislation (SB 2973 (2017)) allows contingent fee auditing.	

		MISSOURI				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 39%.	"Good faith" req. imposed when accepting certs. <i>12</i>	1,925 local sales tax jurisdictions (ratio of	Not a SSUTA member.	Sellers owing \$10,000 or more every 6	Purchaser can obtain an assignment	
Mfg. equip. exemption covers M&E directly used in "larger scale" mfg. of a product to be sold for final use or consumption. <i>RSMo J 144.030.2(5)</i> , <i>(6)</i> ; <i>Fred Weber, Inc. v. Dir. of Revenue</i> , 452 S.W.3d 628	CSR 10-107.100; no rule allowing sellers at least 120 days to obtain valid certs. on audit, but DOR allows until administrative hearing to	3,111). Central admin. of the local taxes. RSMo \$\iiiit\ 32.087(6),	No tax imposed on digital products. <i>L.R.</i> 7338 (12/13). No tax imposed on	months must make 4 advance payments per month. RSMo f 144.081; 12 CSR 10-104.030(3).	of rights from the seller. Form 5440 (12/14).	
(Mo. 2015). Mfg. inputs exemption covers ingredients	produce certs. MTC exemption certs. may	144.757(3), (4). Locals use the same tax base as the state.	a person merely accessing pre-written computer software. 12	Credit limited to use tax. RSMo § 32.200,	False claims act excludes tax claims.	
and component parts used or consumed in producing a product with the intention	be used.	RSMo §§ 32.087(5), (7), 144.757(3), (4).	CSR 10-109.050(3)(I).	Art. V. Full credit for other states' state and	Class action suits	
of it being sold for final use or consumption. <i>RSMo</i> \$\int 144.030.2(2).	Sellers not required to verify exemption account numbers.	Website has current and historical tax rates	No tax liability relief for sellers and purchasers relying on DOR	local taxes. RSMo f 32.200, Art. V.	allowed. No current	
Wired and wireless equip.: exempt. Both services taxed at consumer level. <i>RSMo ∫</i> 144.020.1(4).	Vendor comp.: 2% of tax due. <i>RSMo f</i> 144.140.	back to 1997 but does not have a boundary database. http://dor.mo.gov/	guidance.	No accel. lease payments. Credits other states' tax on accel. lease payments on an	contingent fee or private-contract auditing.	
Cable equip: exempt. $RSMo \ f$ 144.010.1(15)(d). Cable services: exempt.	Direct pay limited to applicants who purchase more than \$750,000 of TPP and	business/sales/rates/.		amortized basis. Bad debt deduction		
Electric and gas equip.: exempt. <i>RSMo</i> \$\iiiiii 144.030, 144.054(2). Electricity and gas sold to consumers are generally taxed. <i>RSMo</i> \$\iiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiii	taxable services per year. 12 CSR 10-104.040(2)(B).			does not apply to private-label credit cards. RSMo JJ 144.190, 144.696; 12 CSR 10- 102.100.		

MONTANA – Not Applicable

		NEBRASKA				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
level. $NRS $	purchases of at least \$3M per year. 316 NAR&R 1-097.03.					

		NEVADA				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 46%.	No "good faith" req. imposed	18 local sales tax	Full SSUTA member.	No advance payments.	Purchasers can	
	when accepting certs. NAC	jurisdictions (ratio of			obtain refunds	
Mfg. equip. is taxable. Tax imposed on sale	<i>372.730, 372.735</i> ; sellers	150,031).	No tax imposed on	Credit limited to use	from the state w/	
of TPP to persons who purchase it for use	allowed 120 days to obtain		digital products. Ne-	tax. <i>NAC 372.055.</i> Full	out going through	
in mfg., producing, or processing TPP. NAC	valid certs. on audit. NAC	Central admin. of the	vada State Taxability	credit for other states'	the seller. NRS J	
372.370(1).	372.730, 372.735.	local taxes. NRS JJ	Matrix version 2015.4.	state and local taxes. Id.	372.630(2).	
		<i>374.723, 374.380.</i> Lo-				
Mfg. inputs exemption limited to TPP	MTC and SSUTA exemption	cals use the same tax	No tax imposed on	No accel. lease	NV false claims act	
incorporated into manufactured articles	certs. may be used.	base as the state.	a person merely	payments. No credit	may apply to tax-	
to be sold. <i>NAC 372.370</i> .			accessing pre-written	against other states' tax	es. NRS J 357.010	
	Sellers not required to	Website has current	computer software.	on accel. lease pay-	et seq.	
Wired and wireless equip.: taxable. NRS f	verify exemption account	tax rates and a bound-		ments.		
372.105. Both services are not subject to	numbers.	ary database but does	Tax liability relief for		Class action suit	
sales tax. NRS		not have historical	sellers and purchasers	Bad debt deduction	on internet access	
	Vendor comp.: 0.25% of tax	rates.	relying on DOT guid-	provision does not	fees currently	
Cable equip.: taxable. NRS	due. NRS JJ 372.370(1),	http://tax.nv.gov/	ance. NRS	apply to private-label	pending.	
NAC 372.155(3). Services are not taxed at	372.355.	Publications/Sales_		credit cards. NRS JJ		
consumer level. NRS JJ 363C, 372.734,		and_Use_Tax_Publi-		372.368(1), (4).	No current	
374.739.	Direct pay limited to pur-	cations/.			contingent fee or	
	chasers who do not main-				private-contract	
Electric and gas equip.: taxable. NRS f	tain a place of business in				auditing.	
372.105. Electricity and gas are not taxed	Nevada. NRS ∫ 360B.260(1).					
at the consumer level. NRS JJ 374.300,						
372.295.						

 ${\bf NEW\; HAMPSHIRE-Not\; Applicable}$

		NEW JERSEY	Y			
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 43%.	No "good faith" req. imposed	No local sales tax	Full SSUTA member.	Sellers owing \$30,000	Purchasers can	
	when accepting certs.	jurisdictions. NJRS f		or more in the prior	obtain refunds	
Mfg. equip. exemption limited to M&E for	Sellers allowed 120 days to	<i>34:1B-204.</i>	Tax imposed on dig-	year must make month-	from the state w/	
use directly and primarily in the produc-	obtain valid certs. on audit.		ital products. NJRS J	ly advance payments.	out going through	
tion of TPP through mfg., assembling, or	NJAC 18:24-10.4(d).	Website has current	54:32B-2(zz), -3(a).	NJAC 18:24-11.2(a)-(c);	the seller. NJRS J	
refining. <i>NJRS</i> ∫ 54:32B-8.13(a).		and historical tax		NJRS ∫ 54:32B-17(b).	54:32B-20(a).	
	SSUTA exemption certs. may	rates.	No tax imposed on			
Mfg. inputs exemption limited to TPP	be used.	http://www.state.	a person merely	Credit limited to use	False claims act	
which will become part of the finished		nj.us/treasury/taxa-	accessing pre-written	tax. NJRS ∫ 54:32B-	excludes tax	
product. NJRS f 54:32B-8.13(a); NJAC	Sellers not required to	tion/salestax.shtml.	computer software. LR:	11(6). Does not	claims. NJRS ∫	
18:24-4.4(a).	verify exemption account		2012-4-SUT (06/12).	provide credit for other	2A:32C-2. See	
	numbers.			states' local taxes. NJRS	also State of	
Wired and wireless equip.: exempt. NJRS			Tax liability relief for	<i>§ 54:32B-11(6)</i> .	New Jersey ex rel.	
$\int 54:32B-8.13(c)$. Both services taxed at	No vendor comp.		sellers and purchasers		Campagna v. Post	
consumer level. <i>NJRS</i> ∫ 54:32B-3(f)(1).			relying on DOT guid-	State accelerates	Integrations, Inc.,	
	Direct pay allowed if shown		ance related to SSUTA.	certain lease payments.	166 A.3d 1177	
Cable equip.: exempt. <i>NJRS</i> ∫	it is impossible to determine		NJRS ∫ 54:32B-14(g).	No credit against other	(N.J. Super. Ct. App.	
<i>54:32B-8.13(c)</i> . Cable services are	at the time of sale. NJRS \(\int \)			states' tax on accel.	Div. 2017).	
not taxed at consumer level. NJRS J	54:32B-12(b).			lease payments. NJRS J		
54:32B-2(cc)(13).				54:32B-7(c).	Class action suits	
					not allowed.	
Electric and gas equip.: exempt. NJRS				Bad debt deduction	Avallone v. Sears	
\$\int 54:32B-8.13(b)\$. Electricity and gas				provision does not	Holding Corp.,	
products/services sold to consumers are				apply to private-label	000004-2010,	
taxed. NJRS \$\int 54:32B-2(g), -3(a), -8.11.				credit cards. NJRS ∫	2013 WL 1501450	
-				54:32B-12.1.	(N.J.Tax Apr. 1,	
					2013).	
					No current	
					contingent fee or	
					private-contract	
					auditing.	

NEW MEXICO								
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES		
B2B sales tax: 60%. Mfg. equip. taxable for machinery used in mfg., processing, or fabricating. Mfg. inputs exemption limited to ingredients or component parts of manufactured products as well as some consumables. NMS § 7-9-46. Wired and wireless equip.: taxable. Services are taxed at consumer level. NMAC 3.2.1.18. Cable equip.: taxable. Services are taxed at consumer level. NMAC 3.2.1.18(A). Electric and gas equip.: taxable. NMS § 7-9-46(F)(2). Electricity and gas are taxed at the consumer level. NMS § 7-9-3.5.	"Good faith" req. imposed when accepting certs. NMS § 7-9-43(B); NMAC 3.2.201.14; sellers allowed only 60 days to obtain valid certs. on audit. NMS § 7-9-43(A). MTC and SSUTA exemption certs. may be used in limited circumstances. NMAC 3.2.201.13, 3.2.201.19. Buyers must put the seller's gross receipts tax registration number on the cert. No vendor comp. Does not issue direct pay permits. Limited ability to enter into agreements. NMS § 7-1-21.1.	267 local sales tax jurisdictions (ratio of 7,712). Central admin. of the local taxes. NMS JJ 7-1-2, 7-19D-8. Locals uses the same tax base as the state. NMS JJ 7-19D-4(A), 7-20C-4. Website has current and historical tax rates but does not have a boundary database. http://www.tax.newmexico.gov/Businesses/tax-tables.aspx.	Not a full SSUTA member. Tax imposed on digital products. <i>NMS</i> § 7-9-3.5(A)(1). Tax imposed w/out clear statutory authority on a person merely accessing pre-written computer software. No tax liability relief for sellers and purchasers relying on TRD guidance, w/limited penalty relief. <i>NMS</i> . § 7-1-69, <i>NMAC</i> 3.1.11.11(A).	No advance payments. Credit limited to use tax. NMS \$\int 7-9-79.1, \tau-9-79(A)\$. Full credit for other states' state and local taxes. NMAC 3.2.301.8; NMS \$\int 7-5-1, \text{Art.V.}\$ No accel. lease payments. No credit against other states' tax on accel. lease payments. Bad debt deduction does not apply to private-label credit cards. NMS \$\int 7-9-67.	Limited written process allowing purchasers to obtain use tax refunds from the state w/out going through the seller. NMS § 7-1-26. False claims act excludes tax claims. NMS § 44-9-3(E). Class action suits not allowed unless administrative remedies exhausted. No current contingent fee or private-contract auditing.			

		NEW YORK				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 42%.	"Good faith" req. imposed	85 local sales tax	Not a SSUTA member.	Sellers owing more	Purchasers can ob-	
	when accepting certs. 20	jurisdictions (ratio of		than \$500,000 per year	tain refunds from	
Mfg. equip. exemption covers M&E	NYCRR 532.4(b)(2); No	227,978).	No tax imposed on	must make advance	the state w/out	
directly and predominately used or	rule allowing seller 120 days		digital products.	payments. NYTL f	going through the	
consumed in the production of TPP, gas,	to obtain valid certs. on au-	Central admin. of the	TSB-M-11(5)S (4/11).	10(b)-(c).	seller. TB-ST-350	
electricity, refrigeration, or steam for sale.	dit. 20 NYCRR 532.4(b)(2).	local taxes. NYS Office			(6/14).	
NYTL ∫ 1115(a)(12).		of the State Comp-	Tax imposed w/out	Credit limited to use		
	MTC and SSUTA exemption	troller, "Local Govern-	clear statutory author-	tax. NYTL ∫ 1118(7)	Allows tax false	
Mfg. inputs exemption limited to mate-	certs. may not be used.	ment Sales Taxes in	ity on a person merely	(a);TB-ST-765 (Oct. 9,	claims actions.	
rials sold as a physical component part.	NYTL ∫ 1132(c);TB-ST-240	New York State: 2015	accessing pre-written	2013). Full credit for	N.Y.F.L. ∫ 187 et.	
NYTL ∫ 1101(b)(4).	(3/10).	Update," Mar. 2015.	computer software	other states' state and	seq.; See e.g., Peo-	
		Some locals do not	based on constructive	local taxes. NYTL ∫	ple Schneiderman	
Wired and wireless equip.: exempt.	Sellers not required to verify	use the same tax base	possession of TPP. TB-	1118(7).	v. Sprint Nextel	
<i>NYTL</i> $\int 1115(a)(12-a)$. Both services are	exemption account num-	as the state. Id.; Pub.	ST-128 (8/14) pg. 2.		Corp., 26 N.Y.3d	
taxed on consumer level. NYTL ff 186-e,	bers. NYCRR 532.4(b).	750 (11/15) pg. 20.		State accelerates	98 (2015).	
1105(b)(1)-(3).			No tax liability relief	certain lease payments.		
	Limited vendor comp.: 5% of	Website has current	for sellers and purchas-	Limited credit on	Class action	
Cable equip.: partially taxable (limited to	taxes due (capped at \$200	tax rates and histori-	ers relying on DOTF	accel. lease payments.	lawsuits allowed	
equip. used in programming and trans-	per reporting period). Sell-	cal tax rates but does	guidance.	TSB-A-15(50)S.	for taxes. Es-	
mission). NYTL \$\int 1115(a)(38), (39);	ers filing monthly returns	not have a boundary			tler v. Dunkin	
TSB-M-80(6)S. Services are not taxed at	or subject to PrompTax are	database.		Bad debt deduction	Brands, Inc., 2016	
consumer level. NYTL $\iint 1105(c)(9)(i)$,	not eligible for the credit.	https://www.tax.		provision does not	WL 3086073	
(ii); 186-e 2(b)(2);TSB-M-80(6)S.	NYTL ∫ 1137(f); TB-ST-925	ny.gov/pubs_and_		apply to private-label	(S.D.N.Y.).	
	(11/10).	bulls/publications/		credit cards. Repealed		
Electric and gas equip.: exempt. NYTL JJ		sales/rates_by_local_		7/1/10.	No current	
1115(a)(12), (c)(1), (c)(2). Electricity	NY has a broad-based direct	jurisdiction.htm.			contingent fee or	
and gas sold to consumers are taxed, w/	pay provision. NYTL f				private-contract	
exemptions. NYTL $\int 1105(b)(1)$.	1132(c)(2).				auditing.	

		NORTH CAROL	INA			
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 41%.	No "good faith" req. imposed	104 local sales tax	Full SSUTA member.	Sellers owing \$20,000	State has limited	
	when accepting certs.	jurisdictions (ratio of		or more per month	written process al-	
Eff. 7/1/18, mfg. equip. exempt for ma-	NCGS ∫ 105-164.28(a);	91,687).	Tax imposed on a list	must make advance	lowing purchasers	
chinery parts, and accessories used in the	sellers allowed 120 days to		of digital products	payments w/prior	to obtain refunds	
production process (prior to 7/1/18 a 1%	obtain valid certs. on audit	Central admin. of the	delivered or accessed	month's return. NCGS ∫	from the state w/	
tax, \$80 cap per article, applied). NCGS f	NCGS	local taxes. NCGS JJ	electronically that	105-164.4(16)(b2).	out going through	
105-187.51, N.C.G.S. § 105-164.13.		105-469(a). Locals	would be taxable		the seller (e.g.,	
	MTC and SSUTA exemption	use the same tax base	if sold in a tangible	Credit limited to use	certain cancelled	
Mfg. inputs exemption limited to sales of	certs. may be used.	as the state. NCGS JJ	medium. NCGS	tax. NCGS ∫ 105-	service contracts).	
TPP that enter into or become an ingre-		105-467.	164.4(a)(6b).	<i>164.6(c).</i> However, tax	NCGS ∫ 105-	
dient or component part of TPP that is	Sellers not required to			credit limited state to	164.11A(b)(2);	
manufactured. NCGS	verify exemption account	Website has current	No tax imposed on a	state and local to local.	Sales and Use Tax	
	numbers. NCGS	and historical tax	person merely access-		Technical Bulletin	
Wired and wireless equip.: exempt. NCGS	164.28(b).	rates, and a boundary	ing pre-written com-	No accel. lease pay-	34-21(A).	
<i>∫</i> 105-164.13(5b). Both services taxed at		database. https://	puter software. Import-	ments. Credit against		
consumer level. NCGS ∫ 105-164.4C.	No vendor comp.	www.ncdor.gov/tax-	ant Notice: Computer	other states' tax on	False claims act	
		es/sales-and-use-tax/	Software (2/10).	accel. lease payments.	excludes tax	
Cable equip.: exempt. NCGS \$\int\$ 105-	Direct pay limited to appli-	sales-and-use-tax-		NCGS ∫ 105-164.6(c).	claims. NCGS ∫	
164.13(5d). Services are taxed at con-	cants with at least \$5M in	rates-other-informa-	Tax liability relief for		1-607(c).	
sumer level. <i>NCGS</i> ∫ 105-164.4(a)(6).	annual TPP purchases. NCGS	tion.	sellers and purchas-	Bad debt deduction		
	\$ 105-164.27A(a).		ers relying on DOR	does not apply to	Some class action	
Electric and gas equip.: taxable, only mfg.			guidance. NCGS JJ	private-label credit	suits allowed.	
is exempt. NCGS JJ 105-164.13(8), (8a).			105-164.42L, -264.	cards. NCGS J 105-	NCGS ∫ 105-	
Electricity and gas sold to consumers are				164.13(15); North	241.18.	
taxed, w/some exemptions. NCGS \(\int \) 105-				Carolina Directive No.		
164.4(a)(9).				SD-03-2, 10//11/2010.	Contingent fee	
					and private-con-	
					tract auditing	
					prohibited. NCGS	
					∫ 105-243.1(a1).	

		NORTH DAKO	ΓΑ			
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 48%. Mfg. equip. exemption covers M&E used directly in mfg. of TPP for wholesale, retail, or lease, and must be used in a new mfg. plant or in a physical or economic expansion of an existing mfg. plant. NDCC \$\int 57-39.2-04.2-01(21); NDAC \$\int 81-04.1-01-23\$. Mfg. inputs exemption limited to inputs that enter or become ingredients or components of TPP. NDCC \$\int 57-39.2-04(21), (27). Wired and wireless equip.: partially taxable. NDCC \$\int 57-39.2-04.3(3)\$; 57-39.2-01(17). Cable equip.: taxable. NDAC \$\int 81-04.1-04-41.1, 81-04.1-01-23\$. Services are taxed at consumer level. Id. Electric and gas equip.: taxable. NDCC \$\int 57-39.2-04.3(e)\$. Electricity and gas sold to consumers are not taxed. NDCC \$\int 57-39.2-04.3(e)\$.	No "good faith" req. imposed when accepting certs. NDCC \$\int 57-39.2-19\$; sellers allowed 120 days to obtain valid certs. on audit. SSUTA exemption certs. may be used. Sellers not required to verify exemption account numbers. Vendor comp.: 1.5% of tax due (capped at \$110 per return). NDCC \$\int 57-39.2-12.1(1). Direct pay allowed to applicants making sufficient purchases to justify the expense of tax department audits. NDAC \$\int 81-04.1-01-05.	147 local sales tax jurisdictions (ratio of 4,575). Central admin. of the local taxes. NDCC \$\int 11-09.1-05(2)(d)\$, 40-05.1-06(16)(d)\$, 57-01-02.1(1). Locals use the same tax base as the state. NDCC \$\int 11-09.1-05(2)(a)\$, 40-05.1-06(16)(a). Website has current tax rates and a boundary database but does not have not historical tax rates. bttps://www.nd.gov/tax/user/businesses/formspublications/sales-use-tax.	Full SSUTA member. No tax imposed on digital products. No tax imposed on a person merely accessing pre-written computer software. Tax liability relief for sellers and purchasers relying on DOR guidance. NDCC JJ 57-39.2-31, .4-07.	No advance payments. Credit limited to use tax. NDCC \$\int 57-40.2-11\$. Full credit for other state and local taxes. NDCC \$\int 57-40.2-11\$. State accelerates certain lease payments. Credit against other states' tax on accel. lease payments. NDCC \$\int 57-40.2-11\$. Bad debt deduction does not apply to private-label credit cards. NDCC \$\int 57-39.2-05\$.	State has limited written process allowing purchasers to obtain refunds from the state on local taxes w/out going through the seller. False claims act excludes tax claims. No known use of class action suits. No current contingent fee or private-contract auditing.	Address info, but not SSNs, are required on returns. Form ST - Sales, Use, and Gross Receipts Tax (07/16).

		OHIO				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 41%.	No "good faith" req. imposed	99 local tax jurisdic-	Full SSUTA member.	Sellers > \$75K per year	Purchasers can	Ohio has
	when accepting certs. ORC	tions (population ratio		must make monthly	obtain refunds	onerous tax
Mfg. equip. exemption limited to	$\int 5739.03(B)(4)$; sellers al-	of 116,530).	Tax imposed on dig-	advance payments w/	from the state w/	on em-
M&E primarily used in mfg. ORC JJ	lowed 120 days on to obtain		ital products. ORC ∫	prior month's return.	out going through	ployment
5739.02(B)(42)(g), .011.	valid certs. on audit. ORC	Central admin. of	5739.01(B)(12).	ORC § 5739.122.	the seller. ORC J	services.
	∫ 5739.03(B).	the local taxes. ORC			5739.07.	ORC JJ
Mfg. inputs exemption limited to		\$\$ 5739.05(A),	Tax imposed on	Credit limited to use		5739.01(B)
materials primarily used in mfg., and	MTC and SSUTA exemption	<i>5741.06.</i> Locals use	a business merely	tax. ORC § 5741.02(C)	No false claims act	(3).
materials used to manufacture mfg.	certs. may be used.	the same tax base	accessing pre-written	(5). Full credit for other	for taxes.	
equip. and to test raw materials. ORC		as the state. ORC JJ.	computer software.	states' state and local		
II 5739.011(B), (D).	Sellers not required to	5739.021(A), .026(A);	ORC § 5739.01(B)(3)	taxes. Id.	Class action suits	
	verify exemption account	5741.021(A)(2),	(e); OAC 5703-9-46(B)		generally not	
Wired and wireless equip.: exempt.	numbers.	.023(A)(2).	(1), (2).	State accelerates	allowed. Vol-	
ORC § 5739.02(B)(34). Services				certain lease payments.	bers-Klarich v.	
taxed at consumer level. ORC J	Vendor comp.: 0.75% of	Website has current	Tax liability relief for	Credit against other	Middletown Mgt.,	
5739.01.	tax due per return. ORC ∫	and historical tax	sellers and purchasers	states' tax on accel.	<i>Inc.</i> , 929 N.E.2d	
	5739.12(B)(1).	rates, and a boundary	relying on DOT guid-	lease payments. ORC ∫	434 (Ohio 2010).	
Cable equip.: exempt. ORC ∫		database.	ance. OAC 5703-9-51.	5741.02(C)(5).		
5739.02(B)(53). Services are not	OH has a broad-based	http://www.tax.obio.			No current	
taxed at consumer level. ORC J	direct pay provision. ORC ∫	gov/sales_and_use/		Bad debt deduction	contingent fee or	
5739.01(B)(3)(p).	5739.031.	rate_changes.aspx.		does not apply to pri-	private-contract	
-				vate-label credit cards.	auditing.	
Electric and gas equip.: exempt. ORC				Chrysler Fin. Co., L.L.C.		
\$ 5739.02(B)(42)(a). Electricity				v. Wilkins, 812 N.E.2d		
and gas sold to consumers is sub-				948 (Ohio 2004).		
ject to utility or sales taxes. ORC						
\$ 5739.02(B)(7).						

		OKLAHOMA				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 47%.	No "good faith" req. imposed	629 local sales tax	Full SSUTA member.	Sellers owing \$30,000	Purchasers can	
	when accepting certs. 68	jurisdictions (ratio of		or more per year	obtain refunds	
Mfg. equip. exemption covers the sales of	OS ∫ 1361(A)(3), OAC	5,964).	No tax imposed on	must make advance	directly from	
goods, wares, merchandise, TPP, M&E to a	710:65-7-6; sellers allowed		digital products. 68 OS	payments. 68 OS ∫	the state w/out	
mfg. for use in a mfg. 68 OS J 1359(1).	120 days to obtain valid	Central admin. of the	$\int 1354(A)(4)(a)(9).$	1365(D).	going through	
This exemption covers the entire mfg. op-	certs. on audit. 68 OS J	local taxes. 68 OS ∫			the seller. 68 OS J	
eration: beginning at the point where the	1361(A)(3).	281. Some locals, e.g.,	No tax imposed on	Credit limited to use	1354.26(A).	
materials enter the mfg. site and ending at		electric and gas, do	a person merely	tax. 68 OS J 1404(3).		
the point where a finished product leaves	MTC and SSUTA exemption	not have the same tax	accessing pre-written	Full credit for other	False claims act	
the mfg. site. 68 OS J 1352(15).	certs. may be used.	base as the state. 68	computer software. 68	states' state and local	does not apply	
		OS ∫ 1357(8).	OS ∫ 1357(32); L.R.	taxes. 68 OS J 1404(3).	to taxes. 68 OS f	
Mfg. inputs exemption applies to all	Sellers not required to		LR-09-107 (10/11).		282.	
TPP for use in mfg. operation. 68 OS f	verify exemption account	Website has current		No accel. lease		
1359(1).	numbers.	and historical tax	Tax liability relief for	payments. No credit	Class action suits	
		rates, and a boundary	sellers and purchasers	against other states'	not allowed. 68	
Wired and wireless equip.: taxable. Ser-	No vendor comp. as of July	database.	relying on OTC guid-	tax on accel. lease	OS ∫ 282.	
vices are taxed at consumer level. 68 OS	1, 2017.	https://www.ok.gov/	ance. 68 OS	payments. OAC 710:65-		
∫ 1354(A)(4).		tax/Businesses/	OAC 710:65-7-16.	1-11.	Contingent fee	
	Direct pay allowed to	Tax_Types/Business_			auditing is specif-	
Cable equip.: exempt. 68 OS \$\iii 1359(8),	persons who purchase	Sales_Tax/Sales_Use_		Bad debt deduction	ically prohibited.	
(9). Services are generally not taxed at	\$800,000 or more annually	Lodging_Tax_Rate_		provision does not	68 OS ∫ 262. Eff.	
consumer level. 68 OS	in taxable items. 68 OS ∫	Charts/.		apply to private-label	11/1/17, OTC may	
	1364.1(B).			credit cards. 68 OS ∫	use private-con-	
Electric and gas equip.: exempt. 68 OS JJ				1366(A).	tract auditing.	
1359(1), 1352(24). Electricity and gas						
sold to consumers are taxed, but there is						
an exemption for residential use. 68 OS						
JJ 1354(A)(2), 1357(8).						

OREGON – Not Applicable

PENNSYLVANIA								
SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES			
"Good faith" req. imposed	2 local sales tax	Not a SSUTA member.	Sellers remitting	Purchasers can	Home			
when accepting certs. 72 PS	jurisdictions (ratio of		\$25,000 or more for	obtain refunds	address-			
$\int 7237(c); 61 \ PC \int 32.2(b);$	6,351,190).	Tax imposed on digital	third quarter of pre-	from the state w/	es are			
sellers allowed only 60 days		products under the	ceding year must make	out going through	required			
to obtain valid certs. on au-	Central admin. of the	definition of TPP. 72 PS	advance payments. 72	the seller. 61 PC J	on re-			
dit. 61 PC \(\int 32.2(b)(2)(iii).	local taxes. 53 PS JJ	∫ 7201(m)(2);61 PC	PS JJ 7217(a), 7246,	33.3(b).	turns.			
	12720.501, .506(2).	<i>§</i> 60.19.	7247.		PA-100			
Limited use of MTC exemp-	Locals use the same			No false claims act	(3/09).			
tion certs. for resale.	tax base as the state.	Tax imposed on a per-	Credit limited to use	for taxes.				
	53 PS ∫ 12720.503;	son merely accessing	tax (unless state where					
Sellers not required to	16 PS JJ 6152-B(a),	pre-written computer	tax paid also credits	Class action suits				
verify exemption account	(b).	software. 72 PS ∫	both sales and use tax).	not allowed. Stra-				
numbers.		7201(k)(1);61 PC ∫	72 PS ∫ 7206(a); 61	nahan v. Cnty of				
	Website has current	60.19.	<i>PC</i> ∫ 31.7(b). Full cred-	Mercer, 697 A.2d				
Vendor comp.: 1% of tax	and historical tax rates		it for other states' state	1049 (Pa. Cmmw.				
due (capped at \$25 for	but does not have not	No tax liability relief	and local taxes. 61 PC s	1997).				
monthly filers, \$75 for	a boundary database.	for sellers and purchas-	60.16(l).					
quarterly filers, and \$150	http://www.revenue.	ers relying on DOR		Contingent				
per semiannual filers). 72	pa.gov/GeneralTaxIn-	guidance.	No accel. lease pay-	fee auditing is				
PS ∫ 7227.	formation/News%20		ments. Unclear if PA	prohibited. 72 PS				
	and%20Statistics/		credits other states' tax	<i> § 209(b).</i> No cur-				
Direct pay allowed to tax-	Pages/Reports%20		on accel.lease pay-	rent private-con-				
_ ^ *	and%20Statistics/		ments.	tract auditing.				
1 .	Tax-Compendium.							
at the time of sale. 72 PS s	aspx.		Bad debt deduction					
7237(d); <i>61 PC §</i> 34.4(a).			applies to private-label					
			credit cards. 72 PS JJ					
			7247.1(a.1)-(a.3).					
	"Good faith" req. imposed when accepting certs. 72 PS ∫ 7237(c); 61 PC ∫ 32.2(b); sellers allowed only 60 days to obtain valid certs. on audit. 61 PC ∫ 32.2(b)(2)(iii). Limited use of MTC exemption certs. for resale. Sellers not required to verify exemption account numbers. Vendor comp.: 1% of tax due (capped at \$25 for monthly filers, \$75 for quarterly filers, and \$150 per semiannual filers). 72 PS ∫ 7227. Direct pay allowed to taxpayers that show it is impossible to determine taxability at the time of sale. 72 PS ∫	**SALES TAX ADMINISTRATION** "Good faith" req. imposed when accepting certs. 72 PS for quarterly filers, and \$150 per semiannual filers). 72 PS for and \$227. **SALES TAX ADMIN.** CENTRAL TAX ADMIN.* 2 local sales tax jurisdictions (ratio of 6,351,190). Central admin. of the local taxes. 53 PS ff 12720.501, .506(2). Locals use the same tax base as the state. 53 PS f 12720.503; 16 PS ff 6152-B(a), (b). Website has current and historical tax rates but does not have not a boundary database. bttp://www.revenue. pa.gov/GeneralTaxInformation/News%20 and%20Statistics/ Pages/Reports%20 and%20Statistics/ Tax-Compendium. aspx.	*Good faith" req. imposed when accepting certs. 72 PS from the parention certs. for resale. *Sales TAX ADMIN. *Good faith" req. imposed when accepting certs. 72 PS from and bit obtain valid certs. on audit. 61 PC from 32.2(b)(2)(iti). Limited use of MTC exemption certs. for resale. *Sellers not required to verify exemption account numbers. Vendor comp.: 1% of tax due (capped at \$25 for monthly filers, \$75 for quarterly filers, and \$150 per semiannual filers). 72 PS from 7227. Direct pay allowed to taxpayers that show it is impossible to determine taxability at the time of sale. 72 PS from a boundary database. but does not have not sible to determine taxability at the time of sale. 72 PS from a boundary database. but does not have not and many database. but does not have not and many database. but does not have not a boundary database. but pa.gov/GeneralTaxInformation/News%20 and%20Statistics/ Tax-Compendium. aspx. **Central admin. of the definition of TPP. 72 PS from tax imposed on digital products under the definition of TPP. 72 PS from tax imposed on a person merely accessing pre-written computer software. 72 PS from a boundary database. but does not have not a boundary database. but pa.gov/GeneralTaxInformation/News%20 and%20Statistics/ Tax-Compendium. aspx.	**SALES TAX ADMIN.** **Good faith" req. imposed when accepting certs. 72 PS fr 7237(c); 61 PC f 32.2(b); sellers allowed only 60 days to obtain valid certs. on audit. 61 PC f 32.2(b)(2)(iii). Limited use of MTC exemption certs. for resale. Vendor comp.: 1% of tax due (capped at \$25 for monthly filers, and \$150 per semiannual filers). 72 PS fr 7227. Direct pay allowed to taxpayers that show it is impossible to determine taxability at the time of sale. 72 PS fr 7237(d); 61 PC f 33.4(a). **Good faith" req. imposed when accepting certs. 72 PS fr 7237(d); 61 PC f 32.2(b); and %20Statistics/ 7237(d); 61 PC f 34.4(a). **Central admin. of the definition of TPP. 72 PS fr 7201(m)(2); 61 PC from fair duranter of preceding year must make advance payments. 72 PS fr 7201(m)(2); 61 PC from fair definition of TPP. 72 PS	"Good faith" req. imposed when accepting certs. 72 PS for 22TC. Vendor comp.: 1% of tax due (capped at \$25 for monthly filers, \$75 for quarterly filers, and \$150 per semiannual filers). 72 PS f 722T. Direct pay allowed to tax-payers that show it is impossible to determine taxability at the time of sale. 72 PS f 7237(d); 61 PC f 34.4(a). 2 local sales tax tax base as that stored and historical tax rates but does not have not aspars that show it is impossible to determine taxability at the time of sale. 72 PS f 7237(d); 61 PC f 34.4(a). 2 local sales tax tax base as the state. 53 PS fl 12720.501; 506(2). 12720.501; 506(2). 12720.501; 506(2). 12720.503; 160(1). 12720.501; 506(2). 12720.503; 160(1). 120(1). 120(1). 120(1). 120(1). 120(1). 120(1). 120(1). 120(1). 120(1). 120(1). 120(1). 120(1). 120(1). 120(1). 120(1). 120(1). 120(1). 120(

		RHODE ISLAN	D			
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 36%. Mfg. equip. exemption limited to TPP (includes M&E) used in an industrial plant in connection with actual manufacture of TPP. RIGL § 44-18-30(22)(i). Mfg. inputs exemption limited to ingredients, components, or integral parts. RIGL § 44-18-30(7). Wired and wireless equip.: taxable. RIGL § 44-18-30(45). Services taxed at consumer level. RIGL § 44-18-7(9), -12.1. Cable equip.: taxable. Services are taxed at consumer level. RIGL § 44-18-7(10). Electric and gas equip.: exempt. RIGL § 44-18-30(7). Electricity and gas sold to	No "good faith" req. imposed when accepting certs. <i>RIGL</i> § 44-18.1-18(C)(1); sellers allowed 120 days to obtain valid certs. on audit. <i>RIGL</i> § 44-18.1-18(C)(1). SSUTA exemption certs. may be used. Sellers not required to verify exemption account numbers. No vendor comp. Direct pay permit limited to businesses that regularly purchase goods and services for use within and outside	No local sales tax jurisdictions. Website has current tax rates but does not have historical tax (no rate change w/past 5 years). http://www.tax.ri.gov/belp/faq.php.	Full SSUTA member. No tax imposed on digital products. <i>Rhode Island State Taxability Matrix version 2015.1.</i> No tax imposed on a person merely accessing pre-written computer software. <i>RICR J SU 11-25 Rule 7(3).</i> Tax liability relief for sellers and purchasers relying on DOR guidance. <i>RIGL J 44-18.1-7.</i>	No advance payments. Credit limited to use tax. RIGL \$\infty\$ 44-18-30.A. Does not provide a full credit for other states' local taxes. RIGL \$\infty\$ 44-18-30.A. No accel. lease payments. No credit against other states' tax on accel. lease payments. Bad debt deduction does not apply to private-label credit cards. RICR \$\infty\$ 87-6; RIGL \$\infty\$ 44-18.1-21.	Purchasers can obtain refunds from the state w/ out going through the seller. http://www.tax.ri.gov/forms/2011/ Excise/SalesUse/Claim%20for%20 Refund%20-%20 Sales%20or%20 Use%20Tax%20 2011.pdf. False claims act excludes tax claims. Class action suits allowed. Long v.	ISSUES
consumers are not taxed. RIGL § 44-18-30.	the state. RIGL § 44-18-19.1(a).				Dell, Inc., 984 A.2d 1074 (R.I. 2009). No current private-contract auditing. RIGL 44-1-36.	

SOUTH CAROLINA								
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES		
B2B sales tax: 37%.	No "good faith" req. imposed	245 local sales tax ju-	Not a SSUTA member.	No advance payments.	Purchaser can ob-			
	when accepting certs. SCC	risdictions (population			tain seller's assign-			
Mfg. equip. exemption limited to ma-	<i>∫</i> 12-36-2510; no rule allow-	ratio of 18,879).	Tax imposed w/out	Credit limited to use	ment of refund			
chines used in mfg., processing, agricul-	ing sellers at least 120 days		clear statutory author-	tax. SCC ∫ 12-36-	claim to apply			
tural packaging, recycling, compounding,	to obtain valid certs. on	Central admin. of the	ity on certain digital	1310(C). Full credit for	directly to DOR			
mining, or quarrying TPP for sale. SCC J	audit. <i>SCC ∫</i> 12-36-2510(B).	local taxes. SCC JJ	products via tax on	other states' state and	for refund. Form			
12-36-2120(17). Machines must be inte-		4-10-90(A), -350(A),	communications ser-	local taxes. SC Rev. Rul.	ST-14 (8/10).			
gral and necessary to the mfg. process.	MTC exemption certs. may	-435(A), -580(A),	vices. SCR 117-329. See	06-4, 05-19-2006.				
SCR 117-302.5.	be used for sales for resales,	-770(A), -940(B).	also SC Rev. Rul. 03-5;		False claims act			
	but not for retail exemp-	Locals not required	SC Rev. Rul. 12-1.	No accel. lease pay-	excludes tax			
Mfg. inputs exemption limited to TPP that	tions.	to use the same tax		ments. Credits other	claims.			
is an ingredient or component of TPP		base as the state. SC	Tax imposed w/	states' tax on accel.				
manufactured for sale. SCC JJ 12-36-	Sellers not required to	Information Letter	out clear statutory	lease payments. SC Rev.	Class action suits			
90(1)(c)(ii), -110(1)(c)(ii); SCR 117-	capture exemption account	#16-14.	authority on cer-	Rul. 06-4, 05-19-2006.	not allowed. SCC J			
302.1.	numbers pursuant to		tain persons merely		12-60-80(C).			
	statute.	Website has current	accessing pre-written	Bad debt deduction				
Wired and wireless equip.: taxable. Ser-		tax rates but does not	computer software via	does not apply to pri-	No current			
vices are taxed at consumer level. SCC JJ	Vendor comp.: 2%-3%	have historical rates or	tax on communication	vate-label credit cards.	contingent fee or			
12-36-910(A), -110(1)(k); SCR 117-329.	(capped of \$3k or \$10k per	a boundary database.	services. SC P.L.R. 12-2;	SCC JJ 12-36-90(2)	private-contract			
	year), <i>SCC ∫</i> 12-36-2610.	https://dor.sc.gov/	SCC ∫ 12-36-910(B)	(b), -130.	auditing.			
Cable equip.: exempt. SCC		tax-index/sales-and-	(3); SCR 117-329.4k.					
2120(26). Cable services are taxed at	SC has a broad-based direct	use/Sales%20Notices/						
consumer level. SCC	pay provision. SCC	ST439_04102015.pdf.	No tax liability relief					
SCR 117-329.4.	<i>2510</i> .		for sellers or purchas-					
			ers relying on DOR					
Electric and gas equip.: exempt. SCC JJ			guidance.					
12-36-910(A), (B)(2). Services taxed at								
consumer level, w/exemptions for resi-								
dential use. SCC \$\iiii 12-36-2120(19), (33),								
(43), (50), (66), (79); SCC \(\int \) 12-36-70(1)								
(e); SCR 117-309.12.								

		SOUTH DAKO	ra			
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 59%.	No "good faith" req. imposed when accepting certs.	269 local tax jurisdictions (ratio of 3,027).	Full SSUTA member.	No advance payments.	Purchasers required to obtain	
No mfg. equip. exemption for M&E used	SDCL 10-45-6.1;ARSD		Tax imposed on digital	Credit limited to use	refunds only from	
in mfg. ARSD 64:06:03:23; 64:06:03:24.	64:06:01:15; sellers allowed	Central admin. of the	products. SDCL 10-45-	tax. SDCL 10-46-6.1,	the seller. SDCL	
	120 days to obtain valid	local taxes. SDCL	2, -2.4.	-34.1. Full credit for	10-59-24.1, -24.2.	
Mfg. inputs exemption limited to TPP	certs. on audit. SDCL 10-45-61.1.	10-52-4, -52A-3. Locals		other states' state, local		
that becomes an integral part of other	01.1.	use the same tax base	Tax imposed on a per-	and similar taxes. <i>Id</i> .	No false claims	
TPP sold at retail. SDCL 10-46-9;ARSD	MTC 4 CCLTTA	as the state. SDCL 10-52-2.	son merely accessing	_	act.	
64:06:03:25.	MTC and SSUTA exemption certs. may be used. ARSD	10-52-2.	pre-written computer	State accelerates	ot it	
	64:06:01:08.01.	Website has current	software. SDCL 10-45-	certain lease payments.	Class action suits	
Wired and wireless equip.: taxable. Ser-	04.00.01.00.01.	and historical tax	1(14), -2.	Credits other states' tax on accel. lease pay-	not allowed. <i>Lick v. Dahl</i> , 285 N.W.	
vices are taxed at consumer level. SDCL 10-45-6.1, -6.2.	Sellers not required to	rates, and a boundary	Tax liability relief for	ments. SDCL 10-46-6.1,	2d 594 (S.D. 1979).	
10-43-0.1, -0.2.	capture/verify exemption	database.	sellers and purchasers	-34.1.	2d 991 (0.D. 1979).	
Cable equip.: taxable. Services are not	account numbers.	http://dor.sd.gov/	relying on DOR guid-	3.1.1	Contingent fee	
taxed at consumer level. SDCL 10-45-4,		Taxes/Business_Tax-	ance. SDCL 10-59-27.	Bad debt deduction	auditing is prohib-	
-4.1, -5, -5.2.	Vendor comp.: 1.5% of tax	es/Newsroom/Tax_		does not apply to pri-	ited. No current	
1.2, 3, 3.2.	due (capped at \$70 per	Rates/.		vate-label credit cards.	private-contract	
Electric and gas equip.: taxable. Services	return). SDCL 10-45-27.2.			SDCL 10-45-30.	auditing.	
taxed at consumer level. SDCL 10-45-2, -6;						
ARSD 64:06:03:13.	Direct pay limited to					
	retailers with at least \$3					
	million in annual purchas-					
	es. SDCL 10-46-67;ARSD					
	64:01:01:33, 64:01:01:34.					

		TENNESSEE				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 40%.	"Good faith" req. imposed	298 local sales tax	Associate SSUTA	No advance payments.	No written pro-	
	when accepting certs. for	jurisdictions (ratio of	member.		cess allowing pur-	
Mfg. equip. exemption for machinery	resale. TCR&R 1320-5-178,	21,296).		Credit not limited to	chasers to obtain	
necessary to, and primarily for, fabrication	68. DOR allows sellers 120		Tax imposed on digital	use tax. <i>TCA</i> ∫ 67-6-	refunds from the	
and processing of TPP for sale to others,	days to obtain valid exemp-	Central admin. of	products. TCA ∫ 67-	507(a). Full credit for	state w/out going	
includes pollution control facilities and	tion certs.	the local taxes. TCA	6-233.	other states' state, local	through the seller.	
R&D equip. <i>TCA</i> ∫ 67-6-206(a).		\$\int 67-6-702(a)(1),		and similar taxes.	TCA §§ 67-6-501,	
	MTC and SSUTA exemption	-710(a)(1). Locals use	Tax imposed on a per-		502.	
Mfg. inputs exemption limited to mate-	certs. may be used.	the same tax base as	son merely accessing	No accel. lease pay-		
rials that come into direct contact with		the state; however,	pre-written computer	ments but continues	False claims act	
manufactured products and are con-	Sellers not required to	there are local option	software. TCA ∫ 67-	tax on certain lease	excludes tax	
sumed within 25 days of processing those	capture/verify exemption	caps of \$3,200 per	6-205.	payments using origin	claims. TCA ∫	
products. TCR&R 1320-05-0140(2).	account numbers.	article of TPP. TCA		location. TCR&R 1320-	4-18-103(f).	
		\$\iint 67-6-702(a)(1),	No tax liability relief	05-0132(2). Credits		
Wired and wireless equip.: taxable. Ser-	No vendor comp. except	-704(a), -201.	for sellers and pur-	other states' tax on	Class action suits	
vices are taxed at consumer level. TCA J	a limited comp. for out-of-		chasers relying on	accel. lease payments.	not allowed. Wick-	
67-6-205(c)(3).	state sellers. TCA \$\int 67-6-	Website has current	DOR guidance. TCA ∫	TCA \$\int 67-6-507(a),	er v. Commr., 342	
	509.	tax rates but does not	67-6-533.	-313(f);TCR&R 1320-	S.W.3d 35 (Tenn.	
Cable equip.: exempt. <i>TCA</i> \$\infty\$ 67-6-329(a)		have historical tax		05-0191(1).	App. 2010).; <i>TCA</i> ∫	
(15). Services are taxed at consumer level	No broad-based direct pay	rates or a boundary			67-6-538.	
when the charge is > \$15 for state sales	provision. https://tn.gov/	database.		Bad debt deduction		
tax and when charge is > \$27.50 for local	assets/entities/revenue/at-	https://www.tn.gov/		does not apply to pri-	No current	
sales tax. TCA ∫ 67-6-226, 67-6-714.	tachments/salesanduse.pdf.	assets/entities/rev-		vate-label credit cards.	contingent fee or	
		enue/attachments/		TCA ∫ 67-6-507(d).	private-contract	
Electric and gas equip.: partially taxable.		taxlist.pdf.			auditing.	
TCA \$\int 67-6-102(44)(D). Electricity and						
gas services sold to consumers are taxed.						
TCA ∫ 67-6-102(89)(A).						

		TEXAS				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 53%.	"Good faith" req. imposed	1,653 local tax	Not a SSUTA member.	Excluding voluntary	No written	
	when accepting certs.	jurisdictions (ratio of		prepayments, no ad-	process allowing	
Mfg. equip. exemption limited to M&E	<i>TTC</i> ∫ 151.054(b); sellers	15,212).	Tax imposed on digital	vance payments.	purchasers (other	
directly used or consumed in or during	allowed only 60 days to		products via tax on		than licensed sell-	
the actual mfg. and directly makes or	obtain valid certs. on audit.	Central admin. of	information services.	Credit limited to use	ers) to obtain. 34	
causes a physical or chemical change. TTC	TTC ∫ 151.054(e).	the local taxes. TTC	TTC ff 151.010,	tax. TTC f 151.303(c);	TAC ∫ 3.325.	
$\int 151.318(a),(b).$		### 323.301. Locals	151.009, 151.0101(a)	<i>34 TAC ∫ 3.61.</i> Full		
	MTC exemption certs. may	generally use the same	(10).	credit for other states'	False claims act	
Mfg. inputs exemption allowed for TPP	be used.	tax base as the state,		state and local taxes. 34	does not apply to	
sold and TPP used or consumed during		w/exceptions. TTC JJ	Tax imposed w/	TAC ∫ 3.338(b).	taxes.	
actual mfg. and that directly makes or	Valid sales tax permit	321.207, 321.208,	out clear statutory			
causes a physical or chemical change. TTC	numbers required on resale	323.207.	authority on a person	No accel. lease pay-	Class action suits	
JJ 151.318(a)(1), (2), 151.318(b).	certs.		merely accessing	ments. Credits other	not allowed.	
		Website has current	pre-written computer	states' tax on accel.	Serna v. H.E. Butt	
Wired and wireless equip.: partially	Vendor comp.: 0.5% of tax	tax rates but does not	software. Texas Comp-	lease payments. 34 TAC	Grocery Co., 21	
taxable. TTC f 151.3186. Both services	due on a timely return. TTC	have historical tax	troller's Letter No.	∫ 3.338(b).	S.W.3d 330 (Tex.	
are taxed on consumer level. TTC ∫	<i>∫</i> 151.423. Additional 1.25%	rates nor a boundary	200805095L.		App.—San Anto-	
151.0101(a)(6); 34 TAC	on prepayment amount. TTC	database.		Bad debt deduction	nio 1999); T.T.C. ∫	
	<i>∫ 151.424</i> .	http://www.comptrol-	No tax liability relief	applies to private-label	112.055.	
Cable equip.: partially taxable. TTC \(\int \)		ler.texas.gov/taxes/	for sellers and pur-	credit cards. TTC ∫		
151.3186(d). Services are taxed at con-	Direct pay limited to appli-	file-pay/edi/sales-tax-	chasers relying on TX	151.426(a), (c).	No current	
sumer level. TTC \$\iiint\$ 151.0101(a)(6), (a)	cants purchasing at least	rates.pbp.	Comptroller guidance.		contingent fee	
(2); 34 TAC \$\infty\$ 3.344(b), 3.313.	\$800,000 per year. <i>TTC f</i>				auditing. State uses	
	151.417(b).TAC \(\int 3.288(b) \)				private-contract	
Electric and gas equip.: partially taxable.	(1).				auditing on an	
TTC					hourly basis.	
are taxed at the consumer level. TTC JJ						
151.0101(a)(17), 151.317.						

	UTAH								
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES			
B2B sales tax: 37%.	No "good faith" req. imposed	374 local tax jurisdic-	Full SSUTA member.	No advance payments.	Purchasers can				
	when accepting certs. UAC	tions (ratio of 7,390).			obtain refunds				
Mfg. equip. exemption limited to M&E	<i>r.</i> 865-198-23. Sellers allowed		Tax imposed on digital	Credit not limited to	from the state w/				
used facility in the mfg. process to man-	at least 120 days to obtain	Central admin. of the	products. UC	use tax. <i>UC</i> ∫ 59-12-	out going through				
ufacture TPP for sale with greater than a	valid certs. on audit. $UC \int$	local taxes. UC JJ	103(1)(m).	104(26). Full credit for	the seller. http://				
3-year life. <i>UAC r.</i> 865-198-85; <i>UC</i> ∫ 59-12-	59-12-106(3).	59-12-118(1), -202,		other states' state and	tax.utab.gov/				
104(14).		-403(4), -703(4).	Tax generally imposed	local taxes. UC	sales/sales-tax-re-				
	MTC and SSUTA exemption	Locals use the same	on a person merely	104(26).	fund-re-				
Mfg. inputs exemption limited to raw	certs. may be used.	tax base as the state.	accessing pre-written		quest#wbocan-				
materials that become an ingredient or		UC §§ 59-12-204(6),	computer software.	No accel. lease	submit.				
component part of a manufactured prod-	Sellers not required to	-401, -703(1)(a).	UC ∫ 59-12-102(113);	payments. No credit					
uct. UC § 59-12-104(25).	capture/verify exemption		Utab P.L.R. No. 10-011	against other states'	False claims act				
	account numbers.	Website has current	(2/12).	tax on accel. lease	excludes tax				
Wired and wireless equip.: exempt. <i>UC</i>		and historical tax		payments. <i>UC ∫</i> 59-12-	claims. <i>UC ∫</i> 26-				
$\int 59-12-104(61)$. Both services taxed at	Vendor comp.: 1.31% of tax	rates, and a boundary	Tax liability relief for	104(26).	20-1 et seq.				
consumer level. <i>UC</i> \$\int 59-12-103(1)(b).	due per month. UC	database.	sellers and purchasers						
	108(2)(c).		relying on UTC guid-	Bad debt deduction	Class action suits				
Cable equip.: partially taxable. <i>UC</i> JJ			ance. UC \$\int 59-12-	does not apply to pri-	allowed with				
59-12-104(61), -102(129). Services are	Direct pay limited to		125, -216, -406, -707,	vate-label credit cards.	limitations. UC ∫				
taxed at consumer level. UC JJ 59-26-	applicants who purchase >		-808, -1104, -1304,	UC § 59-12-107(10)(e).	59-1-304.;Bluth				
103(2)(a), -104.5(1).	\$1.5M per year of items for		-1405.		v. Utab State Tax				
	3 years. <i>UC</i> § 59-12-107.1.				Commn., 54 P.3d				
Electric and gas equip.: taxable. Electricity	5 , 0. 0 0 y 55 x = x 0 / . 1.				1147 (Utah 2002).				
and gas sold to consumers are taxed, w/									
residential use taxed at a lower rate. UC					No current				
\$\iii \ 59-12-103(1)(c), (d).					contingent fee or				
yy 22 12 103(17(0), (W).					private-contract				
					auditing.				

EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
					REFUND	
32 VSA \$\iiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiiii						

		VIRGINIA				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 40%.	"Good faith" req. imposed	163 local tax jurisdic-	Not a SSUTA member.	Sellers with \$2.5M or	Purchasers can	
	when accepting certs. VC	tions (ratio of 49,086).		more in yearly sales	obtain refunds	
Mfg. equip. exemption limited to TPP	∫ 58.1-623(A); 23 VAC 10-		No tax imposed on	must make a June	from the state w/	
(includes machinery) used directly in mfg.	210-280(A), (B); no rule on	Central admin. of	digital products. VC J	advance payment. VC J	out going through	
VC ∫ 58.1-609.3(2)(iii); 23 VAC 10-210-	allowing sellers at least 120	the local taxes. VC f	58.1-609.5(1), -648(C)	<i>58.1-615.</i>	the seller. Retail	
920(A)(3).	days to obtain valid certs. on	<i>58.1-603.1.</i> Locals use	(viii).		Sales and Use Re-	
	audit. Field Audit Guide-	the same tax base as		Credit limited to use	fund Procedures	
Mfg. inputs exemption allowed for TPP	lines: Certs. of Exemption,	the state, except food	No tax imposed on	tax. VC ∫ 58.1-611. Full	Guidelines (7/17).	
(includes fuel) that is used or consumed	pg. 4.	for home consump-	a person merely	credit for other states'		
in mfg. VC \$\int 58.1-609.3(2)(i), (ii); 23		tion is not subject to	accessing pre-written	state and local taxes.	False claims act	
VAC 10-210-920(A)(1), (2).	MTC and SSUTA exemption	local taxes. VC	computer software.		excludes tax	
	certs. may be used.	605(B), -606(D).	Virginia Ruling of the	No accel. lease pay-	claims. VC ∫ 8.01-	
Wired and wireless equip.: taxable. Both			Commissioner PD 13-	ments. Credits other	216.3(D).	
services taxed at consumer level. VC f	Sellers not required to	Website has current	236 (12/13).	states' tax on accel.		
58.1-648(A).	capture/verify exemption	tax rates but does not		lease payments. 23	Class action suits	
	account numbers.	have historical tax	Tax liability relief for	VAC 10-210-840;VC ∫	not allowed.	
Cable equip.: exempt. <i>VC</i> \(\int 58.1-609.6(2).		rates or a boundary	sellers and purchasers	58.1-611.		
Services are taxed at consumer level. VC	Vendor comp.:Very limited	database.	relying on written VDT			
§ 58.1-648(A).	vendor comp. which does	http://www.tax.	guidance.	Bad debt deduction		
	not apply to sellers w/>	virginia.gov/content/		does not apply to pri-	Contingent fee	
Electric and gas equip.: taxable. VC J	\$240,000 in yearly liability.	sales-and-use-tax.		vate-label credit cards.	and private-con-	
58.1-609.3(2)(v). Electricity and gas				VC ∫ 58.1-621.	tract auditing	
sold to consumers are taxed. VC \$\int 58.1-	Direct pay limited to mfg.,				prohibited. See	
609.1(3); 23 VAC 10-210-660.	mine operators and public				Clinchfield Coal	
	service corporations. VC ∫				Co. v. Robbins,	
	58.1-624(A).				541 S.E.2d 289	
					(Va. 2001).	

WASHINGTON							
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES	
B2B sales tax: 37%.	No "good faith" req. imposed	375 local tax jurisdic-	Full SSUTA member.	No advance payments.	A purchaser who		
Mfg. equip. exemption limited to M&E with a useful life of at least 1 year and used directly in mfg., R&D, or testing. <i>RCW</i> 82.08.02565(1).	when accepting certs. <i>RCW</i> 82.08.050(7)(b); sellers allowed 120 days to obtain valid certs. on audit. <i>RCW</i> 82.08.050(7)(b).	tions (ratio of 17,932). Central admin. of the local taxes. RCW 82.14.050(1),	Tax imposed on digital products. <i>RCW</i> 82.04.050(8)(a); 82.04.192; 82.08.020.	RCW 82.32.045(1). Credit limited to use tax. RCW 82.12.035. Full credit for other	has not received a refund from the seller may follow the procedure set forth in WAC		
Mfg. inputs exemption limited to property that becomes an ingredient, component, or chemical used in processing. Chemicals must directly contact ingredients. RCW 82.04.050(1)(a)(iii); WAC 458-20-113.	MTC and SSUTA exemption certs. may be used. Sellers not required to verify the exemption account number.	82.14.050(2). Locals use the same tax base as the state. RCW 82.14.070. Website has current and historical tax	Tax generally imposed on a person merely accessing pre-written computer software. <i>RCW</i> 82.04.050(6) (c)(i).	states' state and local taxes. RCW 82.12.035. No accel. lease payments. No credit against other states' tax on accel. lease pay-	458-20-229(4)(b) to obtain a refund from DOR under certain circumstances. False claims act		
Wired and wireless equip.: taxable w/ certain exemptions. RCW 82.08.986. Both	No vendor comp.	rates, and a boundary database. http://dor.wa.gov/ content/aboutus/sta-	No general tax liability relief. Avnet, Inc. v.	ments. RCW 82.12.035. DOR position is no bad	does not apply to taxes. Class action suits		
services taxed at consumer level. <i>RCW</i> 82.04.050(5). Cable equip.: generally taxable w/	Direct pay limited to applicants with a tax liability of \$240,000 for the current year or purchases of more	tisticsandreports/tid/ statisticsreports.aspx- ?query=bistorical.	Dep't of Revenue, 348 P.3d 1273 (Wash. Ct. App. 2015).	debt deduction applies to private-label credit cards, currently being litigated. <i>Lowes v. DOR</i> ,	may be allowed. RCW 82.32.525.		
certain exemptions. <i>RCW</i> 82.08.986. Certain cable services are taxed at consumer level. <i>RCW</i> 82.04.280(1)(f), 82.04.290, 82.04.257, 82.04.192(11), 82.08.010(10), 82.08.02081.	than \$10M subject to WA sales and use tax. RCW 82.32.087(2)(a).			pending in Court of Appeals, WAC 458-20-196(6).	No current contingent fee or private-contract auditing.		
Electric and gas equip.: generally taxable, w/ exemptions. RCW 82.08.962, 82.08.963. Electricity and gas sold to consumers are not taxed. RCW 82.08.950, 82.08.026, 82.08.0252.							

		WEST VIRGINI	A			
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 44%.	No "good faith" req. imposed	32 local tax jurisdic-	Full SSUTA member.	No advance payments.	No written pro-	
	when accepting certs. WVC	tions (ratio of 57,906).			cess allowing pur-	
Mfg. equip. exemption limited to sales of	<i>∫ 11-15-6.</i> Sellers allowed		No tax imposed on	Credit limited to	chasers to obtain	
TPP or services directly used or con-	at least 120 days to obtain	Central admin. of	digital products. West	use tax. WVC ∫	refunds from the	
sumed in mfg. WVC ∫ 11-15-9(b)(2).	valid certs. on audit.	the local taxes.	Virginia State Tax-	11-15A-10a(a). Credit	state w/out going	
		WVC JJ 7-22-12(d),	ability Matrix version	now provided for	through the seller.	
Mfg. inputs exemption covers sales of TPP	MTC and SSUTA exemption	-11(d), 8-13C-4(e). Lo-	2015.2.	other states' state and		
or services directly used or consumed in	certs. may be used. WVC J	cals use the same tax		local taxes. WVC ∫	No false claims	
mfg. WVC ∫ 11-15-9(b)(2).	11-15B-24(a)(3).	base as the state. WVC	No tax imposed	11-15A-10a(a);Mat-	act.	
		\$\int 8-13C-4(c)(1).	on person merely	kovich v. CSX Trans-		
Wired and wireless equip.: exempt, but	Sellers not required to		accessing pre-written	portation Inc. 238 W.	No known use of	
purchaser must first pay tax before ap-	verify exemption account	Website has cur-	computer software.	Va. 238, 793 S.E. 2d 888	class action suits.	
plying for refund with Tax Commissioner.	numbers.	rent tax rates and a	WVC ∫ 11-15-9(a)(21)	(2016).		
$WVC \int 11-15-9(b)(2)$. Both services not		boundary database	(B);WVCR ∫ 110-15-		No current	
taxed at consumer level. WVC ∫ 11-	No vendor comp.	but does not have	76.1.2.	No accel. lease	contingent fee or	
15-2(b)(8). However, prepaid wireless	-	historical rates. http://		payments. No credit	private-contract	
services subject to tax. WVC J 11-15-9(b)	Direct pay limited to mfg.,	tax.wv.gov/Business/	Tax liability relief for	against other states'	auditing.	
(13).	public utilities, transporta-	SalesAndUseTax/Lo-	sellers and purchas-	tax on accel. lease		
	tion, transmission, and a few	calSalesAndUseTax/	ers relying on DOT	payments. WVC ∫		
Cable equip.: exempt. WVCR J 110-	other businesses.	Pages/LocalSalesAn-	guidance. WVC ∫	11-15A-10a(a);WVCR		
15-9(9.4.1). Services are not taxed at		dUseTax.aspx.	11-15B-36(a).	\$\$\int 110-15-43.1, -129.1,		
consumer level. WVC	Form CST-250 (07/12).			-129.7.3.		
	10 001 200 (07/12).					
Electric and gas equip.: partially taxable.				Bad debt deduction		
Electricity and gas sold to consumers are				does not apply to pri-		
not taxed. <i>WVC</i> ∫ 11-15-9(a)(1); <i>WVCR</i>				vate-label credit cards.		
JJ 110-15-9(9.2.1), (9.2.2).				WVC ∫ 11-15B-27(c).		

		WISCONSIN				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 42%.	No "good faith" req. imposed	70 local tax jurisdic-	Full SSUTA member.	No advance payments.	Purchasers can	
	when accepting certs. WAC	tions (ratio of 81,243).			obtain refunds	
Mfg. equip. exemption covers M&E used	<i>∫ Tax 11.14(4)(b)</i> . Sellers		Tax imposed on	Credit limited to use	from the state w/	
exclusively and directly by a mfg. in mfg.	allowed 120 days to obtain	Central admin. of the	digital products. WS J	tax. WS ∫ 77.53(16).	out going through	
WS \$\int 77.54(2), (2m), (30)(a)(6).	valid certs. on audit. <i>WAC</i> ∫	taxes. WS ∫ 77.76(1).	77.52(1)(d).	Full credit for other	the seller. <i>WS</i> ∫	
	Tax 11.14(4)(b).	Locals generally uses		states' state and local	77.59(4)(a).	
Mfg. inputs exemption covers raw materi-		the same tax base	Generally, no tax	taxes. Wisconsin Dept.		
als that become an ingredient, component	MTC and SSUTA exemption	as the state. WS JJ	imposed on a person	Rev. Tax Bulletin No.	No false claims	
part, or is consumed or destroyed. WS f	certs. may be used. WAC JJ	77.71(1), (4).	merely accessing	157 (7/08).	act.	
77.54(2).	Tax 11.14(2)(a)(3), (b).		pre-written computer			
		Website has current	software. Wis. Dept.	No accel. lease pay-	Class action suits	
Wired and wireless equip.: taxable. <i>WS</i> ∫	Sellers not required to	tax rates and a bound-	of Rev., Sales and	ments. Credits other	not allowed. WS ∫	
77.54(46m). Both services taxed at con-	verify exemption account	ary database but does	Use Tax Treatment	states' tax on accel.	803.08(1).	
sumer level. WS § 77.52(2)(a)(5)(am).	numbers.	not have historical	Computer - Hardware,	lease payments. WS ∫		
		rates. https://www.	Software, Services (5)	77.585(2).	No current	
Cable equip.: taxable. Services are taxed	Vendor comp.: 0.5% of	revenue.wi.gov/faqs/	(A) (eff. 10/09).		contingent fee or	
at consumer level. WS $\int 77.52(2)(a)(12)$.	liability (capped at \$1,000	pcs/taxrates.html#tx-		Bad debt deduction	private-contract	
	per reporting period). WS f	rate2.	Tax liability relief for	applies to private-la-	auditing.	
Electric and gas equip.: generally taxable,	77.61(4)(c).		sellers and purchasers	bel credit cards. WS ∫		
w/ mfg. exemption. Electricity and gas			relying on DOR guid-	77.585(1).		
sold to consumers are subject to tax,w/	Direct pay allowed when		ance. WS ∫ 77.59(9n)			
exceptions. <i>WS</i> JJ 77.51(20).	"enough purchases are		(a), (b).			
	taxable to justify the					
	expense of regular audits					
	by the department". WS ∫					
	77.52(17m)(b)(3).					

		WYOMING				
EXEMPTION FOR BUSINESS INPUTS	SALES TAX ADMINISTRATION	CENTRAL TAX ADMIN.	SIMPLIFICATION & TRANSPARENCY	REASONABLE PAYMENT ADMIN.	FAIR AUDIT/ REFUND PROCEDURES	OTHER ISSUES
B2B sales tax: 58%. Mfg. equip. exemption limited to machinery used directly and predominantly in mfg. WS \$\mathbb{I}\mathbb{J}\mathre{3}9-15-105(a)(viii)(O), 39-16-	No "good faith" req. imposed when accepting certs; sellers allowed 120 days on to obtain valid certs. on audit. WDRR cb. 2 \$\int 7(b)(iii).	23 local tax jurisdictions (ratio of 24,505). Central admin. of the local taxes. WS JJ	Full SSUTA member. Tax imposed on digital products. WS ∫ 39-15-103(a)(i)(P).	No advance payments. Credit limited to use tax. WS § 39-16-109(d) (iii). Full credit for	No written process allowing purchasers to ob- tain refunds from the state w/out	
105(a)(viii)(D). Mfg. inputs exemption limited to ingredients and components of TPP being	MTC and SSUTA exemption certs. may be used.	39-15-202(a), (c), 39-16-203(a). Locals use the same tax base as the state. WS \$\int 39-	No tax imposed on a person merely accessing pre-written	other states' state and local taxes. No accel. lease	going through the seller. WDRR ch. 2 $\int 8(b)$.	
manufactured. WS \$\iii 39-15-105(a)(iii) (A), 39-16-105(a)(iii)(A).	Sellers not required to verify exemption account numbers.	15-103, -105, -202(a), -203(a)(i)(E), -205, 39-16-103, -203(a) (i)(E).	computer software. Wyoming Sales and Use Tax Publication - Computer Sales and	payments. No credit against other states' tax on accel. lease pay- ments.	No false claims act.	
Wired and wireless equip.: taxable. Both services are taxed at consumer level. WS $\int 39-15-103(a)(i)(c)$.	Vendor comp.: 1.95% of the first \$6,250 and 1% of the remainder (capped at \$500	Website has current and historical tax	Services (rev. 8/14). Tax liability relief for	Bad debt deduction does not apply to pri-	class action suits.	
Cable equip.: taxable. Services are not taxed at consumer level. WS $\int 39-15-103(a)(i)(A)$ &(B).	per month). WS $\int 39-15-107(b)(xi)$. Direct pay limited to appli-	rates, and a boundary database. http://revenue.wyo. gov/Excise-Tax-Divi-	sellers and purchasers relying on DOR guidance. WS § 39-15-104(g).	vate-label credit cards. WS $\int 39-15-107(a)(x)$.	contingent fee or private-contract auditing.	
Electric and gas equip.: taxable. Electricity and gas sold to consumers are taxed. WS $\int 39-15-103(a)(i)(E)$.	cants who make taxable purchases in the state totaling > \$5M per year. WDRR ch. 2 \(\int 6(a). \)	sion/sales-use-tax- rates.				



The Council On State Taxation (COST) is a nonprofit trade association consisting of approximately 550 multistate corporations engaged in interstate and international business. COST's objective is to preserve and promote equitable and nondiscriminatory state and local taxation of multijurisdictional business entities.