

DRAFT Implementation Checklist  
(Based on the Marketplace Fairness Act (S.743))

	<b>IMPLEMENTATION ISSUES</b>	<b>RANKING</b> 1 = now 2 = next in line 3 = wait for final legislation	<b>COMMENTS</b>
<b>1</b>	<b>Notice or Publication of Exercise of Authority</b>	1	<i>Discussion may be different for SSTP and nonSSTP states depending on final legislation.</i>
	<b>Simplification Requirements under the Non-Streamlined option</b>		
<b>2</b>	Enactment of legislation: <ul style="list-style-type: none"> <li>• Specifying the tax or taxes to which authority and the simplification requirements apply; and</li> <li>• Specifying the products and services to which collection authority may not apply.</li> </ul>	1	
<b>3</b>	(2)(A)(i) Single entity within the State to administer state and local tax, process returns and conduct audits of remote sales sourced to State	1	

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<b>4</b>	(2)(A)(ii) Single audit of remote sellers for all State and Local taxing jurisdictions within State	1	
<b>5</b>	(2)(A)(iii) Single return to be used by remote sellers and filed with single entity responsible for administration	2	
<b>6</b>	(2)(A)(iii) State may not require returns be filed more frequently for remote sellers than for nonremote sellers	2	<i>Perhaps conduct a survey to determine whether any states have different filing standards currently, especially those states with remote seller legislation on their books.</i>
<b>7</b>	(2)(A)(iii) State may not impose any other requirement on remote sellers that the state does not impose on non-remote sellers with respect to the collection of sales and use taxes under the bill.	2	
<b>8</b>	(2)(A)(iii) No Local jurisdiction may require remote seller to submit return or collect taxes except as described above	2	

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<p><b>9</b></p>	<p>(2)(B) Uniform sales and use tax base among State and Local taxing jurisdictions within the State</p>		
<p><b>10</b></p>	<p>(2)(C)Uniform sourcing of all remote sales:                  (a) Where item is received by purchaser based on instructions furnished by purchaser;                  (b) If (a) does not apply, then based on customer’s address known by seller;                  (c) If address not known by seller, customer address obtained during consummation of the transaction, including address on payment instrument if no other address available; or                  (d) If (a), (b) and (c) do not apply and a billing address cannot be obtained, then based on address of the seller from which the remote sale was made.</p>		
<p><b>11</b></p>	<p>(2)(D)(i) Provide information indicating the taxability of products and services along with product and service exemptions</p>		

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12	(2)(D)(i) Provide rates and boundary database		
13	(2)(D)(ii) Provide software free of charge for remote sellers that: (a) Calculates tax dues on each transaction at time the transaction is completed (b) Files sales and use tax returns (c) Updated to provide rate changes		
14	(2)(D)(iii) Provide certification procedures for certified software providers. The software must be able to calculate and files sales and use taxes in all the States qualified under the Act		
15	(2)(E) Relieve remote sellers from liability to state or locality (tax, interest and penalties) for incorrect collection, remittance, or noncollection of sales and use taxes, if error is result of error or omission made by certified software provider		

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<p><b>16</b></p>	<p>(2)(F) Relieve certified software providers from liability to State or locality (tax, interest and penalty) for incorrect collection, remittance, or noncollection of sales and use taxes, if error is result of misleading or inaccurate information provided by remote seller</p>		
<p><b>17</b></p>	<p>(2)(G) Relieve remote sellers and certified software providers from liability to State or locality (tax, interest and penalty) for incorrect collection, remittance, or noncollection of sales and use taxes, if error is result of incorrect information or software provided by the State</p>		
<p><b>18</b></p>	<p>(2)(H) Provide remote sellers and certified software providers with 90 days notice of rate changes by State or Local government and relieve remote sellers and certified software providers from liability for collecting sales and use tax at the immediately preceding effective rate during a 90-day notice period if 90 days notice is not provided</p>		

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<b>19</b>	<b>MFA Section 3(b)</b> States should think about coordinating any new legislation under the MFA or a similar federal bill with any remote seller legislation they may have already enacted.		
<b>20</b>	<b>MFA Section 4 – Definitions</b> States may also need to adopt definitions for terms they may not already have, such as certified software provider etc.		
<b>21</b>	<b>Tribal issues</b>	Awaiting MTC direction	