



444 North Capitol St., NW
Suite 425
Washington, DC 20001-1538
Telephone: 202.650.0300

www.mtc.gov

**Minutes
Nexus Committee Meeting (Open Session)
November 20, 2024
Drury Plaza Hotel
Paseo De Peralta
Santa Fe, New Mexico**

Listed below are the attendees (*virtual or telephone):

Alaska	Michael Williams*
Alabama	Cameran Clark, Derrick Coleman, Vicki Gardino, Christina Hall, Mia LeRoy, Timothy Sanders, Matt Tidwell
Arkansas	Eileen Henderson
Arizona	Rosani Breaux*, Felicia Gillis*, Manisha Patel*
Colorado	Natalie Barajas*, Rachel Bigbee*, Abby Chestnut, Samwel Khakame*, Kathy Mui*, Tom Malott*, Sarah Roberts*, Christian Stair*
Connecticut	Michael O'Sullivan
District of Columbia	Robert Kindred
Georgia	Mike Edwards*
Idaho	Greg Busmann*, Rebecca Danley*, Amber Ortiz, Elisa Magnuson, Eric Mahler, Karl Patton, Laura Turner*, Rachel Woodberry*
Indiana	Mike Ralston*
Iowa	Ronda Detlefsen*, Kurt Konek, Tiana Slaney
Kansas	Michael Hale, Nathan Hoeppepner*, Kasey Skidmore
Kentucky	Victoria Nichols*
Louisiana	Renee Roberie, Miranda Scroggins, Mia Strong*
Maine	Daniel D'Alessandro*
Michigan	Justin Gallagher*, Bryan Kurtz*, Angela Matelski
Minnesota	Tracy Bjerke*, Cassie Diemert*, James Douglas, Cynthia LaBarge, Shannon Nelson*, K. Shogrin*
Mississippi	Jan Craig*
Missouri	Zachary Wyatt
Nebraska	Cynthia Carpenter*, Stacie Odom*, Emily Staehr*, Cindy Sukhram*
New Hampshire	Barbara Beelle*, Jacob Thom*
New Jersey	Sangita Bose*, Mariane Lyczak*
New Mexico	Mark Chaiken, Stephanie Chardin Clarke, Santiago Chavez, Dee Wald, Veronica Galewater, Monica Garcia, Bobbie Jo Marquez, Francina Martinez, Consuelo Martinez, Aysha Mora, Alicia Romero, Mario Rontilla, George Stephan
North Dakota	Matthew Danielson*, Charles Dendy, Matt Peyerl
Oregon	Tamera Combs*, Greg Harris, Victoria Johnson*, Katie Lolley, Joseph Royston
Pennsylvania	Jane McCurdy*

South Dakota	Alison Jares*, Kathy Smith*
Tennessee	Hal Jones, Lynna Paradiso*, Nicholas Reich
Texas	Phillip Ashley, Rusty Johnson*
Utah	Lee Davis*, Matt Duke*, Frank Hales, Angie Hillas, Shelley Robinson
Washington	Tim Jennrich, Bryan Kelly, Alan Lynn*
Wisconsin	John Wilson*
Multistate Tax Commission	Chris Barber, Lila Disque, Richard Cram, Helen Hecht, Diane Simon-Queen*, Jennifer Stosberg, Jonathan White
Amazon	Rebecca Turner
Bloomberg	Michael Bologna
COST	Priya Nair*
Fast Enterprises, LLC	Will Rice, Anthony Rausch
FTA	Brian Oliner, Scott Pattison
Law360	Paul Williams*
Sales Tax Institute	Diane Yetter
Streamlined Sales Tax G.B.	Christi Comanita
Tax Analysts	Amy Hamilton*
Tax Cloud	Bruce Johnson*
Others	Amanda Dennison*, Ashley Stewart Reagan*, Kathryn White*, Yamadkl*

65 in-person attendees; 58 virtual attendees

Bryan Kelly, Chair (WA), brought the meeting to order at 1:45 pm MST, introductions of attendees were made, and public comment was invited.

Public Comment

No public comment was offered.

Minutes

Mark Chaiken (NM) moved for approval of the minutes of the July 29, 2024 open session portion of the Nexus Committee meeting, and the minutes were approved by unanimous voice vote.

Nexus Director's Report and Update on Recent Nexus Law Developments since July 29, 2024

Richard Cram, Director of the National Nexus Program, reviewed for the Committee his Update on Recent Nexus Law Developments since July 29, 2024 and the 1st Quarter FY 2025 Nexus Program Director's Report. Back tax collections from agreements closed between July 1, 2024 and September 30, 2024 were \$6,739,458 with 121 executed agreements, which should be on track to meet last fiscal year's collections. Richard encouraged other states interested in hosting a Nexus School to

contact MTC training staff. He stated that negotiations were underway with Massachusetts Department of Revenue for a Massachusetts Nexus School sometime next spring.

During his update presentation, Richard described the U.S. Senate Finance Subcommittee on Fiscal Responsibility and Economic Growth hearing held September 25, 2024 on “Providing Small Business Relief from Remote Sales Tax Collection.” Subcommittee Chair Maggie Hassan (NH) chaired the meeting. Also in attendance were Senator Ron Wyden (OR), Chair of the Senate Finance Committee, and Senator Chuck Grassley (IA), the other members of the Subcommittee. Senator Hassan discussed her interest in developing and introducing legislation that would limit states’ authority to collect sales/use tax from remote sellers falling within her definition of small internet sellers (total remote sales in the U.S. in the current or preceding calendar year that do not exceed \$10,000,000) unless those states are either members of the Streamlined Sales and Use Tax Agreement (SSUTA), or if not, have adopted certain uniformity and simplification features. All sales tax states would have to adopt additional simplification and uniformity requirements in order to retain authority to require remote sellers to collect their sales/use tax. Richard stated that close attention should be given to any such legislation, if introduced. A description of Senator Hassan’s proposal is attached.

Presentation on New Hampshire Notice Requirements on Tax Departments for Remote Sellers

Richard gave a presentation (memorandum attached) on notice requirements that New Hampshire has enacted post-*Wayfair*, which apply to state and local tax departments outside of New Hampshire, if those tax departments contemplate initiating sales/use tax collection activity against a retailer located in New Hampshire. Tax Departments must give prior written notice to the New Hampshire Department of Justice before taking any enforcement activity against a remote seller located in New Hampshire. Tax departments should be aware of these New Hampshire notice requirements before initiating any collection activity. Richard reviewed those statutory notice requirements, which were attached to his memorandum.

Presentation on Proposal for Streamlined Sales Tax Voluntary Disclosure Program

Richard described the Streamlined Sales Tax Governing Board proposal (memorandum attached) considered at its October 9, 2024 meeting in Charlotte, N.C. to amend the Agreement to delete the current amnesty provision in Section 402 and replace it with a provision establishing a voluntary disclosure program. The Board determined that the proposal needed further development. The proposal presented at

the October 9 meeting would require that all Member States in the Agreement participate in the Program unless otherwise prohibited by law.

The proposed effective date of the program would be January 1, 2025, if approved by that date. “Qualified remote sellers” would be eligible to participate in the proposed program for sales/use tax relief and would need to meet the following requirements: (1) register or agree to register in all participating states in which it has economic nexus through the Streamlined Sales Tax Centralized Registration System; (2) agree to file returns or spreadsheets for the twenty-four month lookback period (unless state law prohibited such a lookback period); (3) agree to pay the balance due for the lookback period or enter into a payment plan with the state; (4) agree to stay registered with the state so long as the seller exceeds the economic nexus threshold; (5) agree to comply with the procedures of the program; and (6) has not participated in the program previously. A “qualified remote seller” would not include a seller that: (1) has received notice of audit from the state prior to registration; (2) has been previously registered with the state or notified by the state to register and exceeded the state’s economic nexus threshold during the period of registration; or (3) has collected but not remitted sales tax for the state.

During this discussion, Diane Yetter (Sales Tax Institute) verbally proposed that the MTC consider adopting a similar program that would include non-SST states that participate in the MTC Multistate Voluntary Disclosure Program. She also stated that she had made the proposal described above to the Streamlined Sales Tax Governing Board.

Bruce Johnson (Tax Cloud) stated as background that the amnesty provision in the Streamlined Sales Tax Agreement was adopted during the pre-*Wayfair* period when there was a lot of uncertainty as to what constituted physical presence sufficient to create nexus and require the remote seller to collect sales/use tax. But after *Wayfair*, with states’ adoption of economic nexus thresholds, the landscape has changed, and that uncertainty as to what constitutes nexus has been significantly reduced. Thus, it makes no sense to require states to offer amnesty, and that is the main reason for this proposal: eliminate the amnesty provision from the Agreement but still offer an olive branch to the business community and an incentive for non-compliant remote sellers to come forward to register and start collecting sales/use tax. This proposal was not meant as any criticism of the MTC Multistate Voluntary Disclosure Program.

Chair Kelly stated that Diane Yetter’s verbal proposal would be discussed during the closed session.

New Business

Chair Bryan Kelly asked if there was any new business, and none was proposed. The Chair then reminded everyone and encouraged attendance at the following upcoming meetings:

2025 Spring Committee Meetings, April 28-May 1, 2025 in Spokane, WA
2025 Annual Meetings, July 21-24, 2025 in Salt Lake City, UT

The Chair recessed the open session portion of the meeting at 2:50 pm MST in order for the Committee to commence the closed session.

Closed Session

The committee entered closed session at 3:05 pm MST to discuss matters protected from disclosure.

Open Session

Chair Bryan Kelly reported out from the closed session that Diane Yetter is requested to submit her proposal in writing to the Committee. That written proposal will then be circulated to the Committee for discussion and consideration at a later date.

Diane stated that she would do so. She indicated that she is aware of both foreign and domestic sellers who want to come forward but have significant back tax liability exposure that would threaten their viability to stay in business. She would like to see lookback periods cut in half and agreements include provisions only a certain percentage of the back tax liability be paid to the state.

Frank Hales (UT) moved for adjournment that was approved unanimously by voice vote, and Chair Bryan Kelly adjourned the meeting at 4:30 pm MST.

Lowering Costs for Small Business Act – Discussion Framework

Senator Maggie Hassan

Protections for remote sellers: This section prohibits a state or locality from imposing a sales tax collection obligation on a remote seller unless:

1. **Small remote seller exemption:** The state and its localities exempt small remote sellers from sales tax collection obligations. As defined below, small remote sellers are those with gross annual receipts in total remote sales in the U.S. in the current or preceding calendar year that do not exceed \$10,000,000.
2. **Ban on retroactive taxation:** A state and its localities exempt remote sellers from all sales tax collection obligations for any sale that occurred prior to June 21, 2018.
3. **Free compliance services:** A state and its localities (A) contract with providers of software, provided free of charge to remote sellers, that (i) calculates sales and use taxes due on each transaction at the time the transaction is completed, (ii) files sales and use tax returns, and (iii) is updated to reflect tax rate and tax base changes; (B) implement certification procedures for persons to be approved as certified service providers; and (C) provide information databases to remote sellers indicating (i) the taxability of products and services, (ii) any product and service exemptions from sales tax, and (iii) applicable tax rates and tax jurisdiction boundaries.
4. **Safe harbor for new and modified sales taxes:** The state and its localities exempt remote sellers from liability for the incorrect collection or remittance of sales taxes, including any penalties or interest, if the liability is the result of good-faith errors in collecting (A) new sales taxes effective in the current calendar year, or (B) sales taxes for which modifications, such as changes to tax rate or base, were effective in the current calendar year.
5. **Safe harbor for third-party errors:** The state and its localities exempt a remote seller from liability for the incorrect collection or remittance of sales taxes, including any penalties or interest, if the liability is the result of (A) an error or omission made by a compliance service provider or a marketplace facilitator to which the remote seller made a good-faith effort to provide accurate information, (B) incorrect information provided to the remote seller by the state, or (C) incorrect information provided to the state by compliance software that is provided to the remote seller under contract with the state.
6. **Safe harbor related to exemption certificates:** The state and its localities exempt a remote seller from liability for the incorrect collection or remittance of sales taxes, including any penalties or interest, if the liability is the result of a purchaser (A) improperly claiming a tax exemption, or (B) providing incorrect information on a tax exemption certificate, provided that (i) the fully completed exemption certificate was provided to the remote seller at the time of sale or within 90 days subsequent to the date of sale, (ii) the remote seller did not fraudulently fail to collect the tax due, and (iii) the remote seller did not solicit customers to unlawfully claim an exemption.

Simplification for remote sellers: This section prohibits a state or locality from imposing a sales tax collection obligation on a remote seller unless the state meets one of the following two conditions:

1. The state is a Member State of the Streamlined Sales and Use Tax Agreement (SSUTA), but only if the SSUTA adheres to the minimum simplification requirements described below within 360 days of enactment of this legislation;

or

2. The state meets the minimum simplification and compensation requirements for non-SSUTA states described below.

Minimum simplification requirements for SSUTA states: A state that is a Member State of the Streamlined Sales and Use Tax Agreement may not impose a sales tax collection obligation on a remote seller unless SSUTA meets the following five conditions:

1. **Minimum nexus threshold:** Each Member State and its localities exempt remote sellers from sales tax collection obligations in a given calendar year if the remote sellers deliver less than \$100,000 in retail sales into the state in the current or preceding calendar year;
2. **One tax rate per zip code:** Each Member State and its localities adopt a single applicable tax rate for remote sellers across all product types for each five-digit zip code, and SSUTA has implemented a centralized system through which remote sellers can determine the combined state and local tax rate applicable to a given sale. Member States (i) must provide remote sellers the option to collect sales taxes at actual local sales tax rates, rather than at the single applicable tax rate; (ii) may provide one alternative rate per zip code for food or medication; and (iii) may provide tax exemptions for any product, nothing in this section withstanding.
3. **Registration and filing rules:** The SSUTA has implemented (A) a centralized registration and filing system through which remote sellers can satisfy their registration and filing obligations with all Member States and their localities, (B) a sales tax exemption certificate accepted across all Member States, and (C) a standardized sales tax filing form for remote sellers that sellers can file for all Member States and their localities. A Member State can require the standardized sales tax filing form to be submitted no more than (i) monthly if submitted by a Certified Service Provider under SSUTA, or (ii) quarterly if submitted by a remote seller;
4. **Audit limitation and coordination:** The SSUTA has implemented an Audit Coordination System under which (A) a remote seller that is audited by more than one Member State in a given year is assigned a single Audit Coordinator who is the only person the relevant Member States require the remote seller to coordinate with regarding the relevant audits, and (B) the Audit Coordinator coordinates with any Certified Service Provider contracted with a remote seller rather than directly with the remote seller;

and

5. Uniform intrastate tax base and interstate uniformity rules: Each Member State has provided a uniform sales tax base across the state and its localities, and the SSUTA has adopted the “remote sales tax uniformity rules,” as defined below, across all Member States.

Minimum simplification and compensation requirements for non-SSUTA states: A state that is not a Member State of the Streamlined Sales and Use Tax Agreement may not impose a sales tax collection obligation on a remote seller unless the state meets the following six conditions:

1. Minimum nexus threshold: The state and its localities exempt remote sellers from sales tax collection obligations in a given calendar year if the remote sellers deliver less than \$1,000,000 in retail sales into the state in the current or preceding calendar year;
2. One rate per state: The state and its localities adopt a single applicable tax rate for remote sales that (A) applies across all product types, and (B) applies across the state and all its localities. States (i) must provide remote sellers the option to collect sales taxes at actual local sales tax rates, rather than at the single applicable tax rate; (ii) may provide one alternative rate for food or medication; and (iii) may provide tax exemptions for any product, nothing in this section withstanding.
3. Registration and filing rules: The state has implemented (A) a centralized registration and filing system through which remote sellers can satisfy their registration and filing obligations with the state and its localities, and (B) a standardized sales tax filing form for remote sellers that sellers can file for the states and all its localities on no more than on a quarterly basis;
4. Audit centralization: The state has established a single entity that is responsible for all state and local sales tax administration, including providing centralized remote sales tax audits for the state and its localities;
5. Uniform intrastate tax base and intrastate uniformity rules: The state has provided a uniform sales tax base across the state and its localities, as well as adopted the “remote sales tax uniformity rules,” as defined below, across the state and its localities;

and

6. Small remote seller compensation: The state and its localities compensate small remote sellers for the “full compliance cost” of collecting and remitting sales taxes. The Treasury Department is directed to issue guidance within 180 days of enactment of this legislation regarding how non-SSUTA states are to determine “full compliance cost” for purposes of compensating small remote sellers, in accordance with the below.

- a. Compensation methods for small remote seller compensation shall include (A) deduction or withholding of sales taxes collected, and (B) direct payment of vendor compensation where deduction of sales tax is insufficient to cover the full cost of collecting sales tax.
- b. The determination of “full compliance cost” shall consider (A) compliance costs, including fixed software costs, recurring software costs, and audit compliance costs; and (B) whether the state has adopted simplification measures implemented by the SSUTA, including (i) participating in the SSUTA Certified Service Provider program, (ii) participating in the SSUTA centralized registration and filing system, (iii) participating in the SSUTA Audit Coordination Program, and (iv) adopting the SSUTA interstate uniformity rules.

Definitions:

- Remote seller: A person without a physical presence in a state who sells products for delivery into that state. Inventory controlled by a third party does not constitute physical presence.
- Small remote seller: Remote sellers with gross annual receipts in total remote sales in the U.S. in the preceding calendar year that do not exceed \$10,000,000. Aggregation rules under tax code section 267 and 707 apply.
- Sales tax collection obligation: An obligation imposed on a seller to pay, collect, or report information regarding a sales, use, transaction, or similar tax.
- Streamlined Sales and Use Tax Agreement: The multi-State agreement with that title adopted on November 12, 2002, as in effect on the date of the enactment of this Act and as further amended from time to time.
- Member State: A “Member State” as that term is used under the Streamlined Sales and Use Tax Agreement as in effect on the date of the enactment of this Act. Does not include any associate member under the Streamlined Sales and Use Tax Agreement.
- State: Each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States.
- Locality: Any political subdivision of a State.
- Person: An individual, trust, estate, fiduciary, partnership, corporation, limited liability company, or other legal entity.
- Remote sales tax uniformity rules: Uniformity rules that include:
 - A product classification system,
 - Definitions of transaction terms, such as “sales price,”
 - Rules for sourcing transactions to tax jurisdictions,
 - Procedures for certifying service providers on which remote sellers may rely to determine sales tax rates and the taxability of the product(s) in each transaction,
 - Rules for treatment of bad debts,
 - Rules for sales tax holidays,
 - Rules for refunds, customer returns, restocking fees, discounts, and coupons,
 - Rules for calculating the cost basis for sales tax, including the treatment of fees and commissions, and

- Rules for threshold measurement periods for determining if a remote seller has a sales tax collection obligation.

MEMORANDUM

To: Bryan Kelly, Chair, Nexus Committee

From: Richard Cram, Director, National Nexus Program

Re: New Hampshire Notice Requirements on Tax Departments for Remote Sellers

Date: November 20, 2024

New Hampshire is one of five states that do not impose sales/use tax. New Hampshire has enacted notice requirements that apply to state and local tax departments outside of New Hampshire, if those tax departments contemplate initiating sales/use tax collection activity against a retailer located in New Hampshire. Tax departments should be aware of these New Hampshire notice requirements before initiating such collection activity. The statutes imposing such notice requirements are attached.

N. H. Rev. Stat. § 78—D: 1 through 3

These statutes were enacted in 2009, prior to *South Dakota v. Wayfair*, __ U.S. __, 138 S. Ct. 2080 (2018), which repealed the physical presence nexus requirement protecting remote sellers from collecting, reporting and remitting sales/use tax. Section D:2 prohibits a retailer located in New Hampshire from providing any “private customer information” to a state or local tax department located outside of New Hampshire in connection with sales/use tax compliance activity concerning sales by the New Hampshire retailer in which the customer took possession at the retailer’s location in New Hampshire or the purchased item was delivered to the customer in New Hampshire, unless certain criteria are satisfied. The state or local tax department must provide written confirmation to the retailer that such department provided prior written notice of its intent to collect use tax on such retail transaction to the New Hampshire commissioner of revenue administration, and no later than 60 days following the commissioner's receipt of such notice by such tax department, the New Hampshire department of justice has submitted to the commissioner its determination that the foreign state's sales and use tax laws meet certain requirements set forth at N. H. Rev. Stat. § 78—D: 2 II. (a) through (h). Because this notice requirement only applies to transactions where the customer received possession of the purchased item in New Hampshire, it does not appear to apply to remote sales transactions in which a remote seller located in New Hampshire ships purchased items to customer located in the taxing state outside of New Hampshire.

N. H. Rev. Stat. §§ 78—E: 1 through 12

These provisions were enacted after *Wayfair*, became effective 7/19/2019, and impose certain notice requirements on state and local tax departments outside of New Hampshire engaging in sales/use tax collection activity against a remote seller located in New Hampshire concerning remote sales for which the purchased items are delivered to customers in the taxing state. § 78—E: 2. At least 45 days prior to taking any action to determine or impose sales or use tax liability against a New Hampshire remote seller, the tax department must provide written notice (by physical letter labeled as “RSA 78-E Notice” and delivered by mail) to the New Hampshire Department of Justice. § 78—E: 4. The notice must include the full legal name and address of the seller, shall contain the reasons for the request or examination, shall cite the legal authorities that authorize imposition of a tax collection obligation on the seller, and shall explain why the seller is subject to those laws. *Id.* The notice should be mailed to the following address:

New Hampshire Department of Justice, Office of the Attorney General
33 Capitol Street
Concord, NH 03301

The tax department cannot request any private customer transaction information from the remote seller for use in determining tax liability of the customer or seller, and cannot examine or impose any sales/use tax collection obligations, unless the tax department included in the notice to the New Hampshire Department of Justice its intent to request such information or conduct such an examination and 45 days from the date of such written notice have elapsed. *Id.*

The New Hampshire remote seller is supposed to notify the New Hampshire Department of Justice if an outside state or local tax department has initiated collection activity against it concerning its remote sales, in order to ensure that the tax department has first complied with the above notice requirements. The remote seller has the option to voluntarily comply with such collection activity, and if so, should notify the New Hampshire Department of Justice. The notice requirements imposed on the tax department apply, regardless of whether the remote seller voluntarily complies with the collection efforts. *Id.*

Once the New Hampshire Department of Justice receives notice of collection activity from a state or local tax department outside of New Hampshire, the Department is supposed to review the notice and the sales/use tax laws of the taxing state to ensure that they are proper under the U.S. and New Hampshire Constitutions and meet certain criteria. § 78—E: 6. The Department then can initiate a civil action against that tax department if it deems the collection efforts to be unconstitutional or otherwise

fail to meet certain criteria, seeking injunction, declaratory judgment, or both. *Id.* The remote seller can also initiate a civil action against the tax department and can seek damages and attorney fees. *Id.*

A New Hampshire remote seller required to collect sales/use tax for an outside state or local tax department is entitled to deduct from any such taxes collected any reasonable costs, including any initial set up and ongoing maintenance costs, incurred in the collection and remission of sales and use taxes to that jurisdiction or authority. § 78—E: 7.

MEMORANDUM

To: Bryan Kelly, Chair, Nexus Committee

From: Richard Cram, Director, National Nexus Program

Re: Proposal for Streamlined Sales Tax Voluntary Disclosure Program

Date: November 20, 2024

The Streamlined Sales Tax Governing Board considered a proposal at its October 9, 2024 meeting in Charlotte, N.C. to amend the Agreement to delete the current amnesty provision in Section 402 and replace it with a provision establishing a voluntary disclosure program (attached). The Board determined that the proposal needed further development, and Craig Johnson, Executive Director, stated that this topic would be brought back up for an update and further discussion during the Governing Board's teleconference on December 20, 2024. Angélica Serrano-Román, "Sales Tax Group to Continue Drafting Voluntary Disclosure Program," *Bloomberg Law News* (October 9, 2024).

The proposal presented at the October 9 meeting would require that all Member States in the Agreement participate in the Program unless otherwise prohibited by law. There are currently 23 Member States and one Associate Member State in the Agreement.

Note: The following states are Member States in the Agreement and also participate in the MTC Multistate Voluntary Disclosure Program: Arkansas, Georgia, Iowa, Kansas, Kentucky, Michigan, Minnesota, Nebraska, New Jersey, North Carolina, North Dakota, Oklahoma, Rhode Island, South Dakota, Tennessee (associate member status), Utah, Vermont, Washington, West Virginia, and Wisconsin.

The proposed effective date of the program would be January 1, 2025, but presumably, this date likely may be extended until sometime after the proposal is fully developed and voted upon for approval by the Governing Board.

"Qualified remote sellers" would be eligible to participate in the proposed program for sales/use tax relief and would need to meet the following requirements: (1) register or agree to register in all participating states in which it has economic nexus through the Streamlined Sales Tax Centralized Registration System; (2) agree to file returns or spreadsheets for the twenty-four month lookback period; (3) agree to pay the balance due for the lookback period or enter into a payment plan with the state; (4) agree to stay registered with the state so long as the seller exceeds the economic

nexus threshold; (5) agree to comply with the procedures of the program; and (6) has not participated in the program previously.

A “qualified remote seller” would not include a seller that: (1) has received notice of audit from the state prior to registration; (2) has been previously registered with the state or notified by the state to register and exceeded the state’s economic nexus threshold during the period of registration; or (3) has collected but not remitted sales tax for the state.

The twenty-four month lookback period would apply for all participating states unless state law prohibited it, and it would be measured from the date that the seller notifies the Governing Board that it wants to participate in the program. Penalties also must be waived, to the extent allowed by state law.

The time limit for the “qualified remote seller” to apply is the later of one year from the effective date of the program or within three years of the date when the seller first exceeded the state’s economic nexus threshold.