



Streamlined Sales Tax Initiative: What Does It Mean For Business?

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- Streamlined Top ~~Ten~~ Fifteen
- When Will It Help Business?
- Has Streamlined Met Its Objective?
- Challenges for the Future

Top ~~Ten~~ Fifteen Things About Streamlined That Are Good For Business

- Number 15: Uniform Return & ELF
- Number 14: Uniform Rules for Recovery of Bad Debts
- Number 13: Provisions for Direct Pay Permits

Top ~~Ten~~ Fifteen Things About Streamlined That Are Good For Business

- Number 12: Customer Refund Provision
- Number 11: Uniform Base
- Number 10: Simplified Rate Structure

Top ~~Ten~~ Fifteen Things About Streamlined That Are Good For Business

- Number 9: Restriction on Caps and Thresholds
- Number 8: Simplified Exemption Administration
- Number 7: Uniform Sourcing

Top ~~Ten~~ Fifteen Things About Streamlined That Are Good For Business

- Number 6: Simplified (state level) Central Administration
- Number 5: Uniform Definitions
- Number 4: Collection Models & Certification of Tax Application Systems

Top ~~Ten~~ Fifteen Things About Streamlined That Are Good For Business

- Number 3: Simpler Method for Voluntary Collection and for Compliance by Existing Businesses
- Number 2: Increased Certainty & Indemnification Benefits
- Number 1: Improved Working Relationship Between Business and Taxing Authorities

When Will It Help Business?

- Matter of degree & what a particular business wants
- Currently 19 states have passed most of the provisions
 - Improvement in the system has already begun
 - More states passing, more benefit to business
- Simplification & Uniformity Provisions
 - Enacted in laws & in use
 - Definitions, rates, sourcing, etc.

When Will It Help Business?

- Technology Provisions
 - Enacted in laws & to be implemented
 - Electronic filing –
 - Procedures & data elements under review
 - Central electronic registration –
 - Procedures & data elements under review
 - Data bases –
 - Planning stages

When Will It Help Business?

- Technology Provisions
 - Tax Collection Models & Certification
 - Concept developed
 - Proof of concept taken place
 - Standards & certifications in progress
 - RFP to be developed

What is a certified Tax Application System?

- Software that handles tax application & calculation functions
- Functions include determining taxability, calculation, provides for returns & handles exempt transactions

How will systems be certified?

- Certified by taxing authorities
- Meet certification standards set by authorities
- Pass testing by authorities

Has Streamlined Met Its Objectives?

- A Modern Sales and Use Tax System
 - Depends on the audience
 - Not perfect, but simpler, more uniformity & technology
- Reduced Complexity
 - Yes, if provisions are implemented
- Increased voluntary collection
 - Remains to be seen
 - Some already

Has Streamlined Met Its Objectives?

- Improved compliance
 - Should be
 - Reduced areas of uncertainty
 - Allow time to implement law changes
- Level playing field
 - Depends on the audience
 - Step in right direction

Challenges For The Future

- How to prevent back sliding?
 - Education effort will continue to be important (taking the message to legislators)
 - Oversight will be important
 - Tax administrators and business will have to work together
- Implementing Technology Provisions
 - Continued work by TIGERS
 - Partnership between authorities and technology companies
 - Getting companies to use certified systems
 - Getting volunteers to use CSP's

Challenges For The Future

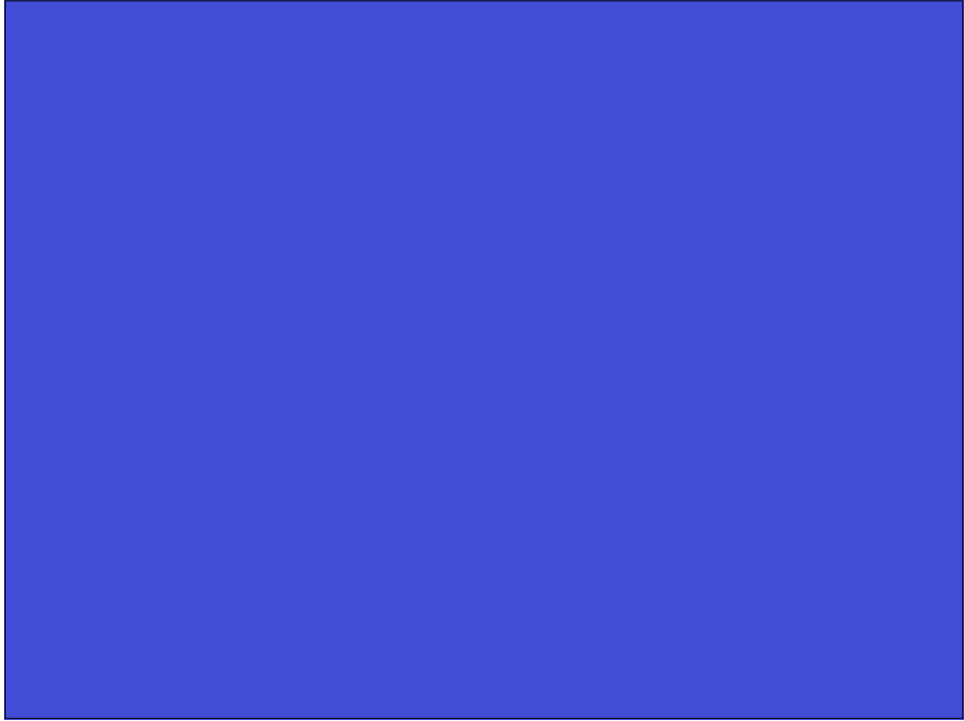
- Developing a model for change
 - Function of the Governing Board
- Talking It To The Hill
 - Again education will be a key

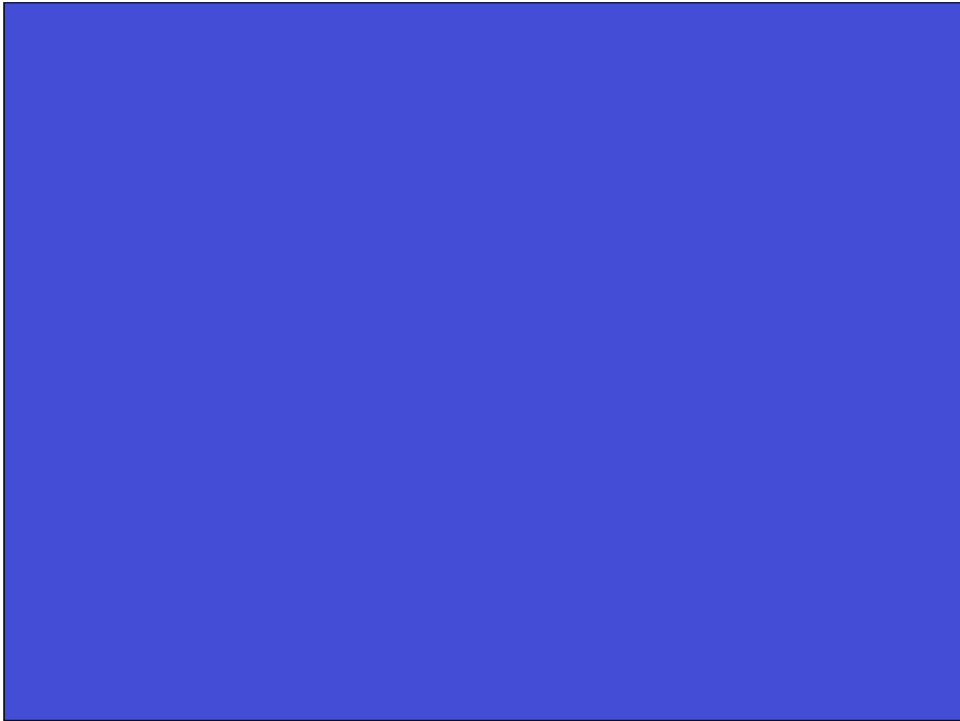
Has Streamlined Succeeded?

- Definitely
 - Impacted legislation in over twenty states this year
- Gone farther than most expected
- Model for future initiatives

Streamlined Sales Tax Initiative: What Does It Mean For Business

- Hope
- Opportunity





Streamlined Sales Tax Project: What Does It Mean For Business

- Required changes on companies systems
 - Proprietary system model
 - Certified automated system model
 - Certified Service Providers model