



One Sealaska Plaza, Ste. 200, Juneau, AK 99801

P: (907)790-5300, F: (907)463-5480 [www.arsstc.org](http://www.arsstc.org)

**Alaska Remote Seller Sales Tax Commission**  
**Board of Directors Meeting**  
**June 15, 2022 10:00am – 12:00pm**  
*Virtual via Zoom*

Board of Director Attendees:

- Jeff Rogers
- Stephanie Queen
- Scott Bloom
- Melissa Haley
- Joan Miller
- Brandi Harbaugh
- Xavier Mason

1. Call to order
2. Approval of the Agenda
3. Approval of the Minutes
  - a. 4.20.2022 Board Meeting minutes
4. Public participation on Non-Agenda Items
5. Official Business
  - a. Policy Committee Chair Report
  - b. Review & approval of Pre-Commission Delinquent Filings Policy
  - c. ARSSTC participation on the MTC Multijurisdiction Resale Certificate
  - d. Review & approval of Interpretation 2022.01 – Drop-shipments into Member Jurisdictions
  - e. Intergovernmental Agreement and Commission Bylaws draft revision
6. Informational Items
  - a. FY22 Financials Update
  - b. Multistate Tax Commission Annual meeting
7. Executive Session
  - a. Memo from LBB re: *Pike*
8. Comments
9. Adjournment



**Alaska Remote Seller Sales Tax Commission**  
**Board of Directors Meeting**  
**April 20, 2022 10:00am – 12:00pm**  
*Virtual via Zoom*

Board of Director Attendees:

- Jeff Rogers
- Stephanie Queen
- Melissa Haley
- Troy Tankersley
- Brandi Harbaugh
- Xavier Mason
- Absent – Scott Bloom

1. Call to order
  - a. Call to order at 10:02 am
2. Approval of the Agenda
  - a. Motion to approve by Troy Tankersley, no objection
3. Approval of the Minutes
  - a. 2.2.2022 Board Meeting minutes
  - b. Motion to approve by Stephanie Queen, no objection.
4. Public participation on Non-Agenda Items
  - a. No public participation
5. **Official Business**
  - a. **Policy Committee Chair Report**

Report by Maureen Graham. Policy Committee met in February & April and has been discussing Voluntary Disclosure Agreements, estimated assessments, revision of the business closure form, and drop shipment guidance. The Policy Committee welcomed a new member – Mandy Judy from City/Borough of Juneau. Julie Liew of Kodiak has resigned from the Policy Committee.

**b. Approval of revised Fund Balance Policy**

Finance Committee recommends amending the Fund Balance Policy to include language that the Commission has two years to bring the fund balance into compliance when the fund balance exceeds the levels allowed under the policy. The current language only discusses when the fund balance is lower than the policy allows (the Commission has two years to bring up to the minimum), but there is currently no specific guidance for when the fund balance exceeds the policy.



Motion by Troy Tankersley to approve revision of the Fund Balance Policy.

No objection-motion passed.

**c. FY22 Financials update**

**d. Finance Committee recommendation re: Commission fee FY22 reduction**

The Finance Committee recommended a change to the Commission's fee rate, decreasing from 3% to 2.25% backdating the reduction to 1/1/2022. Given the high fund balance and expected upcoming revenue, a lower Commission fee would be appropriate and still allow for staff funding. This also reduces the possibility of adjusting the Commission rate mid-year. Sales tax revenue for FY22 is exceeding the budgeted amount and expenses are under budget, due to lack of filling a staffing position and not using all the allotted funds for software update. Commission and staff are unsure how inflation will impact future revenues but are still expecting to reach at least \$16 million in sales tax revenue for FY22.

Motion by Stephanie Queen to accept Finance Committee recommendation and reduce FY22 Commission to 2.25%, backdated to January 1, 2022.

No objection – motion passed.

**e. Review & approval of FY23 budget**

The FY23 budget projects \$18 million in total sales tax revenue. Staff recommends budgeting \$25,000 for software updates and funding for travel, governance, and legal issues at levels similar to FY22.

Budgeted personnel expenses include funding for one entry-level technician position and one audit/compliance position. The negative net income will help reduce the anticipated excess fund balance from FY22, bringing the fund balance down to a level allowed under the Fund Balance Policy.

Jeff Rogers asked how the staff time is broken down between ARSSTC duties and AML (AMSTP/Shared Services) duties. Nils Andreassen assured the board that staff are only paid for hours spent on ARSSTC work and any hours doing AML work is charged to a different budget line. Nils will provide the board with a breakdown of staff, including AML finance/support staff.

Motion by Brandi Harbaugh to approve the FY23 as presented.

No objection – motion passed.

**f. Resignation & retirement of Troy Tankersley**



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Troy Tankersley is retiring from City of Wasilla and is resigning from the ARSSTC Board of Directors. Joan Miller is replacing him with the City of Wasilla and will fill Troy's seat on the Board until the next election, in accordance with the ARSSTC Bylaws.

6. Comments

Karl Kauffman w/ Landye Bennett Blumstein noted that he is watching a legal case from Louisiana that may have an impact on ARSSTC members. He will keep Board informed of progress and impact as the case progresses.

Discussion amongst Board members regarding short-term rental compliance solutions that communities are experiencing and working on.

7. Adjournment

Adjourned at 10:58 am

DRAFT



**To: ARSSTC Policy Committee**

**From: Clinton Singletary, Statewide Municipal Sales Tax Director**

**Date: June 15, 2022**

**Re: Policy re: Pre-Commission Remote Seller delinquent filings**

### **Background**

The Commission is periodically contacted by businesses inquiring whether the Commission has a Voluntary Disclosure Agreement (VDA) program in place. Since the Commission does not, AMSTP staff question the business in more detail to determine the best approach for the business to take.

AMSTP staff generally advise these businesses to contact each jurisdiction in question to resolve the issue at hand, especially for filing periods prior to the existence of the Commission. But that approach may not be the best to ensure compliance and remittance from the business.

At the 3.15.22 Policy Committee meeting, the PC discussed how the Commission should approach these VDA program inquiries. There are a number of scenarios that could fall under a possible VDA program, but the PC felt that a specific scenario should be addressed outside of any Commission VDA program.

Here are the details to the scenario in question:

1. Business collected sales tax for the Communities in question for filing periods prior to the Commission's existence.
2. Business in question had / has no physical presence in the Communities in question, for filing periods prior to the Commission's existence.
3. Business is requesting to file the back sales tax returns for each community with the Commission and remit the collected sales tax to the Commission directly.

At the 4.19.22 Policy Committee meeting, the PC approved the following Proposed Administrative Policy addressing the specific scenario outlined above. The policy will be implemented by AMSTP staff once approved by the ARSSTC Board.

### **Proposed Administrative Policy**

When contacted by the business or the business' representative, AMSTP staff will determine the business' qualifications to fall under the policy, namely that:

- The business collected sales tax for multiple Communities for filing periods prior to the Commission's existence,



- The business had no physical presence in any of the Communities for which it collected sales tax.

If these qualifications are met, AMSTP staff will contact each jurisdiction for authorization for the Commission to collect the remittance from the business.

The business would be allowed to file an annual return for each year's worth of remittances. No waiver would be applied as the filings are delinquent, and the business would not have a history of good compliance. Late fees, penalties & interest would be assessed on the delinquent filings based on the rates outlined in Section 170 of the Uniform Code.

The goal of this policy is to streamline the remittance process for a business that may have to file delinquent sales taxes with numerous jurisdictions. Streamlining this process will help ensure that each jurisdiction receives the remittance it should from the business.



**To: ARSSTC Board**

**From: Clinton Singletary, Statewide Municipal Sales Tax Director**

**Date: June 15, 2022**

**Re: ARSSTC Participation on the MTC Multi-jurisdiction Resale Certificate**

### Background

We have been contacted by several Alaskan businesses over the last few months who are being charged WA sales tax for orders that are being delivered to a freight forwarder in WA state. These purchases are for resale in Alaska, and the businesses in question were already issued a local resale certificate from the home jurisdiction.

There are a number of issues to be resolved in this situation, including whether or not the supplier should be charging WA sales tax. But the specific one being addressed in this proposal is that Alaskan business' local resale certificate is not being honored by their supplier. This is due to State of WA DOR guidelines that are very strict on the types of resale certificates that can be accepted to exempt the customer from WA sales tax.

WA DOR only allows a vendor to accept a WA state reseller's permit, a Streamlined Certificate of Exemption, or the MTC's Multi-jurisdiction Resale Certificate. For businesses that are not required to be registered with WA DOR (*such as Alaskan businesses*), only the Streamlined Certificate or the MTC Resale Certificate are acceptable proof of exemption.

The ARSSTC is not able to join the Streamlined Sales Tax Governing Board at this time. But the MTC has agreed to include the ARSSTC on its Multi-jurisdiction Resale Certificate.

### Proposal

The MTC's resale certificate allows the state/jurisdiction to include specific rules on the proper usage for their state. The Policy Committee approved the following language to be included in the instructions for the ARSSTC:

*Alaska Remote Seller Sales Tax Commission: This certificate is valid as a resale certificate only if it contains the purchaser's name, address, signature and either the purchaser's ARSSTC Remote Reseller Certificate of Exemption number or the purchaser's resale certificate number issued by the local taxing jurisdiction. The purchaser should also provide a general description of the tangible personal property or taxable services that are being purchased from the seller.*

*The purchaser's claim for exemption may be verified by calling the ARSSTC at 907-790-5300.*

As the language states, a business will either need to list its Remote Reseller Certificate number or their local jurisdiction exemption number. This approach will allow local Alaskan businesses with a local resale certificate to obtain exemption from the WA state sales tax. It will also simplify exemption claims for remote sellers who already use the MTC form for other states and have obtained the ARSSTC Remote Reseller Certificate.

Pending approval by the ARSSTC Board, the MTC will publish their updated certificate (*draft copy on subsequent pages*) within about a week. AMSTP staff will then notify Commission members of this update so it can be communicated to local businesses who may be impacted.

**UNIFORM SALES & USE TAX RESALE CERTIFICATE — MULTIJURISDICTION**

The below-listed states have indicated that this certificate is acceptable as a resale/exemption certificate for sales/use tax, subject to the instructions and notes on pages 2–6. The issuing Buyer and the recipient Seller have the responsibility to determine the proper use of this certificate under applicable laws in each state, as these may change from time to time. This form was revised as of June \_\_, 2022.

Issued to Seller: \_\_\_\_\_

Address: \_\_\_\_\_

I certify that:

Name of Firm (Buyer): \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

is engaged or is registered as a

Wholesaler

Retailer

Manufacturer

Seller

Lessor (see notes on pages 2–4)

Other (Specify) \_\_\_\_\_

and is registered for sales/use tax with the below-listed states and cities within which Seller would deliver purchases to Buyer and that any such purchases are for wholesale, resale, or ingredients or components of a new product or service to be resold, leased, or rented in the normal course of business. Buyer is in the business of wholesaling, retailing, manufacturing, leasing (renting), or selling the following:

Description of Business: \_\_\_\_\_

General description of tangible property or taxable services to be purchased from the Seller: \_\_\_\_\_

State	State Registration, Seller's Permit, or ID Number of Purchaser	State	State Registration, Seller's Permit, or ID Number of Purchaser
ARSSTC <sup>1</sup>		MO <sup>19</sup>	
AL <sup>2</sup>		NE	
AR		NV <sup>20</sup>	
AZ <sup>3</sup>		NJ	
CA <sup>4</sup>		NM <sup>5,21</sup>	
CO <sup>5,6</sup>		NC <sup>22</sup>	
CT <sup>7</sup>		ND	
FL <sup>8</sup>		OH <sup>23</sup>	
GA <sup>9</sup>		OK <sup>24</sup>	
HI <sup>5,10</sup>		PA <sup>25</sup>	
ID <sup>11</sup>		RI <sup>26</sup>	
IL <sup>6,12</sup>		SC	
IA		SD <sup>27</sup>	
KS <sup>13</sup>		TN <sup>28</sup>	
KY <sup>14</sup>		TX <sup>29</sup>	
ME <sup>15</sup>		UT	
MD <sup>16</sup>		VT <sup>30</sup>	
MI <sup>17</sup>		WA <sup>31</sup>	
MN <sup>18</sup>		WI <sup>32</sup>	

I further certify that if any property or service so purchased tax-free is used or consumed by Buyer so as to make it subject to sales/use tax, Buyer will pay the tax due directly to the proper taxing authority when state law so provides or inform the Seller for added tax billing. This certificate shall be a part of each order that Buyer may hereafter give to Seller, unless otherwise specified, and shall be valid until canceled by Buyer in writing or revoked by the city or state.

Under penalties of perjury, I swear or affirm that the information on this form is true and correct as to every material matter.

Authorized Signature: \_\_\_\_\_

(Owner, Partner, or Corporate Officer, or other authorized signer of Buyer)

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## INSTRUCTIONS

In order to comply with state and local sales tax law requirements, the Seller must have in its files a properly completed exemption certificate from all of its customers (Buyers) who claim a sales/use tax exemption. If the Seller does not have this certificate, it is obliged to collect the tax for the state in which the property or service is delivered.

Generally, a Buyer must be registered as a retailer for sales/use tax in states where the Buyer has sales/use tax nexus. The sales/use tax registration number(s) should be entered on this certificate. A Buyer has sales/use tax nexus in a state if the Buyer has physical presence in that state or has made sufficient sales to customers in that state to have sales/use tax economic nexus. The threshold of sales activity needed to establish sales/use tax economic nexus may differ by state. If the Buyer is entitled to claim a resale sales tax exemption or exclusion, the Buyer should complete the certificate and send it to the Seller at the time of purchase or as soon thereafter as possible. If the Buyer purchases tax free for a reason other than resale, ingredient or component exemption, the Buyer cannot use this form and must provide to the Seller the proper state exemption certificate for that specific exemption.

Caution: Misuse of this certificate by Buyer, Seller, lessor, lessee, or the representative thereof may be punishable by fine, imprisonment or loss of right to issue or accept a certificate in some states or cities.

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Notes:

1. Alaska Remote Sellers Sales Tax Commission (ARSSTC): This certificate is valid as a resale certificate only if it contains the purchaser's name, address, signature and either the purchaser's ARSSTC Remote Reseller Certificate of Exemption number or the purchaser's resale certificate number issued by the local taxing jurisdiction. The purchaser should also provide a general description of the tangible personal property or taxable services that are being purchased from the seller. The purchaser's claim for exemption may be verified by calling the ARSSTC at 907-790-5300.
2. Alabama: Each retailer shall be responsible for determining the validity of a purchaser's claim for exemption.
3. Arizona: This certificate may be used only when making purchases of tangible personal property for resale in the ordinary course of business, and not for any other statutory deduction or exemption. It is valid as a resale certificate only if it contains the purchaser's name, address, signature, and Arizona transaction privilege tax (or other state sales tax) license number, as required by Arizona Revised Statutes § 42-5022, *Burden of proving sales not at retail*.
4. California:
  - a) This certificate is not valid as an exemption certificate. Its use is limited to use as a resale certificate subject to the provisions of Title 18, California Code of Regulations, Section 1668 (Sales and Use Tax Regulation 1668, Resale Certificate).
  - b) By use of this certificate, the purchaser certifies that the property is purchased for resale in the regular course of business in the form of tangible personal property, which includes property incorporated as an ingredient or component of an item manufactured for resale in the regular course of business.
  - c) When the applicable tax would be sales tax, it is the Seller who owes that tax unless the Seller takes a timely and valid resale certificate in good faith.
  - d) A valid resale certificate is effective until the issuer revokes the certificate.
5. Colorado, Hawaii, Illinois, and New Mexico: these states do not permit the use of this certificate to claim a resale exemption for the purchase of a taxable service for resale.
6. Colorado: Sellers should review 1 Code Colo. Regs. 201-1, Rule 39-26-105-3 (Documenting Exempt Sales) prior to accepting this form. The Colorado Department of Revenue collects and administers the state sales and use taxes and the sales and use taxes of certain cities, counties, and special districts (see department publication DR 1002). Use of this form (along with the other documentation required by department rule) is acceptable for taxes administered by the Colorado Department of Revenue. This form may not be accepted by self-collecting Colorado home-rule cities. Sellers are advised to contact those cities directly for further instruction.
7. Connecticut: This certificate is not valid as an exemption certificate. Its use is limited to use as a resale certificate subject to Conn. Gen. State §§ 12-410(5) and 12-411(14) and regulations and administrative pronouncements pertaining to resale certificates. The good faith of the seller will be questioned if it has knowledge of facts which give rise to a reasonable inference that the purchaser does not intend to resell the property, as, for example, knowledge that the purchaser of particular merchandise (or service) is not engaged in the business of selling that kind of merchandise (or service).
8. Florida: Allows the Multistate Tax Commission's Uniform Sales and Use Tax Resale Certificate – Multijurisdiction for tax-exempt purchases for resale; however, the selling dealer must also obtain a resale authorization number from the Florida Department of Revenue at [floridarevenue.com/taxes/certificates](http://floridarevenue.com/taxes/certificates), or by calling 877-357-3725, and entering the

purchaser's Florida *Annual Resale Certificate* number.

9. Georgia: a) The purchaser's state-of-registration number will be accepted in lieu of Georgia's registration number when the purchaser is located outside Georgia, does not have nexus with Georgia, and the tangible personal property is delivered by drop shipment to the purchaser's customer located in Georgia.
- b) The certificate relieves the seller from the burden of proof on sales for resale if the seller acquires from the purchaser a properly completed certificate, taken in good faith, from a purchaser who:
- (i) Is engaged in the business of selling tangible personal property;
  - (ii) Has a valid sales tax registration number at the time of purchase and has listed his or her sales tax number on the certificate; and
  - (iii) At the time of purchasing the tangible personal property, the seller has no reason to believe that the purchaser does not intend to resell it in his or her regular course of business.
10. Hawaii: Allows this certificate to be used by the seller to claim a lower general excise tax rate or no general excise tax, rather than the buyer claiming an exemption. The no tax situation occurs when the purchaser of imported goods certifies to the seller, who originally imported the goods into Hawaii, that the purchaser will resell the imported goods at wholesale. If the lower rate or no-tax does not in fact apply to the sale, the purchaser is liable to pay the seller the additional tax imposed. See Hawaii Dept. of Taxation Tax Information Release No. 93-5, November 10, 1993, and Tax Information Release No. 98-8, October 30, 1998.
11. Idaho: This certificate may be used only when making purchases of tangible personal property for resale in the ordinary course of business, and not for any other statutory deduction or exemption. It is valid as a resale certificate only if it complies with Idaho Code Section 63-3622(c).
12. Illinois: Use of this certificate in Illinois is subject to the provisions of 86 Ill. Adm. Code Ch.I, Sec. 130.1405 (Seller's Responsibility to Obtain Certificates of Resale and Requirements for Certificates of Resale). Illinois does not have an exemption for sales of property for subsequent lease or rental, except as follows: (i) a motor vehicle that is used for automobile renting subject to the Automobile Renting Occupation and Use tax Act (35 ILCS 120/2-5(7)) and (ii) merchandise that the purchaser certifies is purchased to be rented subject to the Rental Purchase Agreement Occupation and Use Tax Act (35 ILCS 120/2-5(43)). Buyers purchasing items for lease or rental that meet either of these two exceptions should not use this Uniform Sales and Use Tax Resale Certificate, but instead must provide to Sellers proof of registration for the Automobile Renting Occupation and Use Tax or the Rental Purchase Agreement Occupation and Use Tax, as appropriate, and, in the case of the Rental Purchase Agreement Occupation and Use Tax, should use Form ST-261 (Exemption Certificate for Property Subject to Rental Purchase Agreement Tax). The use of this certificate for claiming resale purchases of services does not have any application in Illinois.

The registration number to be supplied next to Illinois on page 1 of this certificate must be the Illinois registration or resale number; no other state's registration number is acceptable.

"Good faith" is not the standard of care to be exercised by a retailer in Illinois. A retailer in Illinois is not required to determine whether the purchaser actually intends to resell the item. Instead, a retailer must confirm that the purchaser has a valid registration or resale number at the time of purchase. If a purchaser fails to provide a certificate of resale at the time of sale in Illinois, the seller must charge the purchaser tax.

While there is no statutory requirement that blanket certificates of resale be renewed at certain intervals, blanket certificates should be updated periodically, and no less frequently than every three years.

13. Kansas: Purchaser must enter a valid Kansas Registration Number issued by the Kansas Department of Revenue. Exemption certificates must be obtained from the purchaser at the time of the sale, but no later than 90 days subsequent to the date of sale. This resale certificate may only be used as a resale exemption certificate or ingredient or component part exemption certificate. This resale certificate may not be used by contractors to purchase materials without sales tax. This resale certificate may not be used by Manufacturing Companies to purchase machinery and equipment without sales tax. See Kansas Certificate ST-201. This resale certificate need not be renewed or updated when there is a recurring business relationship between the buyer and seller. A recurring business relationship exists when a period of no more than 12 months elapses between sales transactions. This resale certificate cannot be used by contractors to purchase labor services from other contractors without tax.
14. Kentucky: a) Kentucky does not permit the use of this certificate to claim a resale exclusion for the purchase of admissions.

- b) This certificate is not valid as an exemption certificate. Its use is limited to use as a resale certificate subject to the provisions of Kentucky Revised Statute 139.270.
- c) The use of this certificate by the purchaser constitutes the issuance of a blanket certificate in accordance with Kentucky Administrative Regulation 103 KAR 31:111.
15. Maine: This state does not have an exemption for sales of property for subsequent lease or rental. This certificate is not valid for use by manufacturers purchasing tangible personal property that becomes an ingredient or component part of a product manufactured by the manufacturer. Please use Maine's Industrial Users Exemption Certificate (ST-A-117).
16. Maryland: This certificate is not valid as an exemption certificate. Its use is limited to use as a resale certificate subject to the provisions of Md Tax – Gen § 11-408(b). All claims for the resale exclusion, even those made with this certificate, must include the Buyer's Maryland sales and use tax registration number. Certificates without a Maryland sales and use tax registration number will not be honored by the State. However, in lieu of a sale and use tax registration number, sellers may accept resale certificates that bear the exemption number issued to a religious organization. Exemption certifications issued to religious organizations consist of 8 digits, the first two of which are always "29". Maryland sales and use tax registration numbers, exemptions, and direct pay numbers may be verified on the website of the Comptroller of the Treasury at [www.marylandtaxes.gov](http://www.marylandtaxes.gov).
17. Michigan: Blanket certificates are effective for a period of four years unless a lesser period is mutually agreed to and stated on this certificate. A seller who receives and maintains a record of a properly completed certificate is not generally liable for sales or use tax on the transaction, even if a purchaser improperly claims an exemption. There are certain limited situations in which a seller can be liable for the tax, such as those involving fraud on the part of the seller. For more information, see revenue Administrative Bulletin (RAB) 2016-14.
18. Minnesota: Purchaser's Minnesota tax identification number should be inserted into the row labeled "MN" in the state chart on page 1. If purchaser does not have a Minnesota tax identification number, the following are acceptable:
- Purchaser's tax identification number issued by a state other than Minnesota and the name of the state;
  - Purchaser's federal Employer identification Number;
  - The number of Purchaser's valid state-issued driver's license, or a valid state-issued identification number, along with the state of issue.
- Purchaser must identify purchaser's type of business using Minnesota's business-type coding system. Check the correct box near the top of page 1. If you check the box labeled "Other," provide the appropriate Minnesota business code in the space following the "Other" check box. You can find a list of Minnesota business codes on the Minnesota exemption certificate (Form ST3).
- Purchaser must update the certificate data, as necessary, if this certificate is to be used as a blanket exemption certificate for continuing future purchases.
- Note that Minnesota allows this certificate to be used to claim a resale exemption only. It does not permit this certificate to be used to claim any other type of exemption. To claim an exemption other than resale, use the Minnesota exemption certificate (Form ST3) or the Streamlined Sales Tax Governing Board exemption certificate (Form F0003).
19. Missouri:
- a) Purchasers who improperly purchase property or services sales-tax free using this certificate may be required to pay the tax, interest, additions to tax, or penalty.
  - b) Even if property is delivered outside Missouri, facts and circumstances may subject it to Missouri tax, contrary to the second sentence of the first paragraph of the above instructions.
20. Nevada:
- a) This certificate is not valid as an exemption certificate. Its use is limited to use as a resale certificate subject to the provisions of NRS 372.165, NRS 372.170, NRS 372.175 and NRS 372.180 regarding sales tax, and NRS 372.235, NRS 372.240 and NRS 372.245 regarding use tax.
  - b) By use of this certificate, the purchaser certifies that the property is purchased for resale in the regular course of business in the form of tangible personal property, which includes property incorporated as an ingredient or component of an item manufactured for resale in the regular course of business.
  - c) When the applicable tax would be sales tax, it is the Seller who owes that tax unless the Seller takes a timely and valid resale certificate.
  - d) A valid resale certificate is typically effective until the issuer revokes the certificate, but periodic renewal of the certificate is recommended.
  - e) Contractors are generally considered consumers of tangible personal property pursuant to NAC 372.200 and are unable and should not use this certificate, and Sellers should not accept it from a contractor.

21. New Mexico: For transactions occurring on or after July 1, 1998, New Mexico will accept this certificate in lieu of a New Mexico nontaxable transaction certificate and as evidence of the deductibility of a sale of tangible personal property provided:
- a) this certificate was not issued by the State of New Mexico;
  - b) the buyer is not required to be registered in New Mexico; and
  - c) the buyer is purchasing tangible personal property for resale or incorporation as an ingredient or component of a manufactured product.
22. North Carolina: This certificate is not valid as an exemption certificate if signed by a person such as a contractor who intends to use the property. Its use is subject to G.S. 105-164.28 and any administrative rules or directives pertaining to resale certificates.
23. Ohio:
- a) The buyer must specify which one of the reasons for exemption on the certificate applies. This may be done by circling or underlining the appropriate reason or writing it on the form above the state registration section. Failure to specify the exemption reason will, on audit, result in disallowance of the certificate.
  - b) If no certificate is provided or obtained from the buyer at the time of the sale or within ninety days after the date on which such sale is consummated, it shall be presumed that the tax applies.
24. Oklahoma: Oklahoma would allow this certificate in lieu of a copy of the purchaser's sales tax permit as one of the elements of "properly completed documents" which is one of the three requirements which must be met prior to the vendor being relieved of liability. The other two requirements are that the vendor must have the certificate in his possession within ninety (90) days subsequent to the date of sale and must accept the documentation in good faith. The specific documentation required under OAC 710:65-7-6 is: Written certification containing the purchaser's name, address, type of business, sales tax permit number, and the signature of the purchaser. OAC 710:65-7-8.
- Absent strict compliance with these requirements, Oklahoma holds a seller liable for sales tax due on sales where the claimed exemption is found to be invalid, for whatever reason, unless the Tax Commission determines that purchaser should be pursued for collection of the tax resulting from improper presentation of a certificate.
25. Pennsylvania: This certificate is not valid as an exemption certificate. It is valid as a resale certificate subject to the provisions of 61 PA Code §32.3. The buyer should enter their eight-digit Pennsylvania Sales and Use Tax license number. If the buyer does not have a Pennsylvania Sales and Use Tax license number, they must provide an explanation as to why they are not licensed.
26. Rhode Island: Rhode Island allows this certificate to be used to claim a resale exemption only when the item will be resold in the same form. It does not permit this certificate to be used to claim any other type of exemption.
27. South Dakota: Services which are purchased by a service provider and delivered to a current customer in conjunction with the services contracted to be provided to the customer are claimed to be for resale. Receipts from the sale of a service for resale by the purchaser are not subject to sales tax if the purchaser furnishes a resale certificate which the seller accepts in good faith. In order for the transaction to be a sale for resale, the following conditions must be present:
- (a) The service is purchased for or on behalf of a current customer;
  - (b) The purchaser of the service does not use the service in any manner; and
  - (c) The service is delivered or resold to the customer without any alteration or change.
28. Tennessee: Third-Party drop shipment – A seller registered in Tennessee, who sells to an unregistered out-of-state retailer but delivers the product in Tennessee to the retailer's customer who is a consumer, must charge the sales tax on the sale to the out-of-state retailer unless the out-of-state retailer provides the seller with a resale exemption certificate that includes a Tennessee resale number.
- Any tangible personal property or other taxable item or service purchased without the payment of tax upon this resale certificate that is used or consumed in any manner by the buyer, or is given away, must be reported and the tax paid directly to the Tennessee Department of Revenue.
29. Texas: Items purchased for resale must be for resale within the geographical limits of the United States, its territories, and possessions.

30. Vermont: The reseller must be registered to collect Vermont sales tax. Vermont allows this certificate to be used to claim a resale exemption for goods only, not component parts to a service. It is not to be used by contractors. Vermont's manufacturing exemption is limited to property consumed in the manufacturing process, used directly and exclusively in the manufacturing process, or packaging or shipping materials for use by a manufacturer or wholesale distributor. Any other uses and the use for any other exemptions is not permitted.

While there is no statutory requirement that blanket certificates of resale be renewed at certain intervals, blanket certificates should be updated periodically, and no less frequently than every three years.

31. Washington: Buyer acknowledges that in addition to the amount of tax due, the misuse of this form may result in interest and penalties being imposed by law.
3. Wisconsin: Allows this certificate to be used to claim a resale exemption only. It does not permit this certificate to be used to claim any other type of exemption.

## Frequently Asked Questions Uniform Sales and Use Tax Certificate – Multijurisdictional

- **To whom do I give this certificate?**
- **Can I register for multiple states simultaneously?**
- **I have received this certificate from my customer. What do I do with it?**
- **Am I the Buyer or the Seller?**
- **What is the purpose of this certificate?**
- **How do I fill out the certificate?**
- **What information goes on the line next to each state abbreviation?**
- **What if I don't have an ID number for any (or some) state(s)?**
- **Who should use this certificate?**
- **Can I use this certificate?**
- **Which states accept the certificate?**
- **I am based in, buying from, or selling into Maine. Can I use this certificate?**
- **I am a drop shipper. Can I use this certificate?**
- **Do I have to fill this certificate out for every purchase?**
- **Can this certificate be used as a blanket certificate?**
- **Who determines whether this certificate will be accepted?**
- **I have been asked to accept this certificate. How do I know whether I should accept it?**
- **Is there a more recent version of this certificate?**
- **To whom should I talk to for more information?**

### **To whom do I give this certificate?**

If you are purchasing goods for resale, you will give this certificate to your vendor, so that your vendor will not charge you sales tax.

If you are selling goods for resale, and you have received this certificate from your buyer, you will keep the certificate on file.

### **Can I register for multiple states simultaneously?**

A buyer must be registered as a retailer for sales/use tax in states where the buyer has sales/use tax nexus in a state. Registration in each state must be done separately with that state. See the state tax agency's website. The Federal Tax Administrators (FTA) maintains a centralized list of links to state agency websites: <https://taxadmin.memberclicks.net/state-tax-agencies>. The Streamlined Sales Tax Governing Board, Inc. maintains a centralized registration system that can be used to register in states that are members. For more information, see [www.streamlinedsalestax.org](http://www.streamlinedsalestax.org).

### **I have received this certificate from my customer. What do I do with it?**

Once you have examined the certificate and you have accepted it, you will keep it on file as prescribed by applicable state laws. The relevant state will generally be the state where you are located, or the state where the sales transaction took place.

### **Am I the Buyer or the Seller?**

If you are purchasing goods for resale, you are the Buyer. If you are selling goods to a buyer who is purchasing them for resale, you are the Seller.

**What is the purpose of this certificate?**

This certificate is to be used as supporting documentation that the Seller should not collect sales tax because the good or service sold to the Buyer, is exempt from the tax as a sale for resale or as an ingredient or component of a product manufactured by the Buyer and to be resold.

**How do I fill out the certificate?**

The individual filling out the certificate is referred to as the Buyer. The first two lines, “Issued to Seller” and “Address”, should be filled in with the name and address of the Seller. The rest of the information refers to the Buyer (name and address of Buyer, business engaged in, description of business, property or services to be purchased). The line next to each state abbreviation should be filled out with the relevant state ID number.

**What information goes on the line next to each state abbreviation?**

The line next to each state abbreviation should be filled in with the relevant state ID number. This will be the sales/use tax registration or resale authorization number issued by the state (see next FAQ for an exception). For example, on the line next to AL, provide the sales/use tax registration number issued by Alabama. The relevant registration number may be given various names in the different states. Some of the terms for this number are State Registration or Seller’s Permit Number. Regardless of the name, this will be a number that has been issued by the state to the Buyer (see next FAQ for an exception). This number is generally associated with the reseller’s authority to collect and remit sales/use tax.

**What if I don’t have a registration number for any (or some) state(s)?**

The states vary in their rules regarding requirements for a reseller exemption or exclusion. Some states require that the reseller (Buyer) be registered to collect sales tax in the state where the reseller makes its purchase. Other states will accept the certificate if the registration number is provided for some other state (such as the resident state of the Buyer). You should check with the relevant state to determine whether you meet the requirements of that state.

**Who should use this resale certificate?**

A Buyer who is registered in one of the states listed on the resale certificate may be able to use this certificate to make purchases of tangible property or taxable services that are for resale tax-exempt. States vary in their policies for use of this certificate. Questions regarding your specific eligibility to use this certificate should be addressed to the revenue department of the relevant state.

**Can I use this resale certificate?**

The states vary in their rules for use of this resale certificate. You should check with the relevant state to determine whether you can use this resale certificate for purchases from sellers registered in that state. The footnotes to the certificate provide some guidance; however, the Multistate Tax Commission cannot guarantee that any state will accept this certificate. States may change their policies without informing the Multistate Tax Commission.

**Which states accept the certificate?**

States listed on the certificate have accepted this certificate. States may change their policies for acceptance of the certificate without notifying the Multistate Tax Commission. You may check with the relevant state to determine the current status of the state’s acceptance policy. See next FAQ.

**I am based in, buying from, or selling into Maine. Can I use this certificate?**

Please contact Maine Revenue Services.

**I am a drop shipper. Can I use this certificate?**

If you are the Buyer and your Seller ships directly to your customers, you may be able to use this certificate because you are a reseller. However, your Seller may be unwilling to accept this certificate if you are not

registered to collect sales tax in the state(s) where your customers are located.

If you are the Seller, and you have nexus with the state(s) into which you are shipping to your Buyer's customers, you may be required by such state(s) to remit sales tax on those sales if your Buyer is not registered to collect sales tax.

**Do I have to fill this resale certificate out for every purchase?**

In many cases, this certificate can be used as a blanket certificate, so that you will only need to fill it out once for each of your Sellers. Some states require periodic replacement with a renewed certificate (see notes on certificate).

**Can this resale certificate be used as a blanket certificate?**

In many states this certificate can be used as a blanket certificate. You should verify this with the applicable state. A blanket certificate is one that can be kept on file for multiple transactions between a specific Buyer and specific Seller.

**Who determines whether this resale certificate will be accepted?**

The Seller will determine whether it will accept the certificate from the Buyer. The applicable state will determine whether a certificate is acceptable for the purpose of demonstrating that sales tax was properly exempted. The applicable state will generally be the state where the Seller is located or has nexus or the state where the sales transaction took place, or where the Buyer is located. The Multistate Tax Commission does not determine whether this certificate will be accepted either by the Seller or the applicable state.

**I have been asked to accept this resale certificate. How do I know whether I should accept it?**

You should contact your state revenue department if you are not familiar with the policies regarding acceptance of resale certificates.

In order for the certificate to be accepted in good faith by the Seller, Seller must exercise care that the property or service being sold is of a type normally sold wholesale, resold, leased, rented or incorporated as an ingredient or component of a product manufactured by Buyer and then resold in the usual course of its business. A Seller failing to exercise care could be held liable for the sales tax due in some states.

**Is there a more recent version of this certificate?**

No. The most recent version is posted on our website (revised as of June , 2022). You may have seen a version that has been modified in an unauthorized manner. You should not use any version other than the one available on our website.

**Whom should I talk to for more information?**

For information regarding whether the certificate will be accepted in the applicable state, you should contact the revenue department of that state. The Multistate Tax Commission's [Member States](#) webpage has links to revenue department websites.



## Interpretation 2022.01

### Transactions involving Drop-Shipments into ARSSTC Member Jurisdictions

#### **Issue:**

What is a drop-shipment and how are each of the parties involved in the drop-shipment affected by sales tax collection requirements on remote sales?

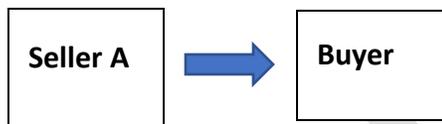
#### **Background:**

The typical drop-shipment involves three parties:

1. The customer
2. Seller A
3. Seller B aka “the shipper/supplier”

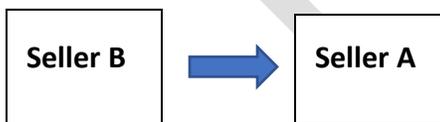
Very simply, the customer makes a purchase from the seller. The seller then purchases from the shipper/supplier and directs the shipper/supplier to ship the good(s) directly to the customer. This in essence creates two separate transactions as outlined below:

#### **Transaction #1**



In Transaction #1, Seller A makes a sale to the buyer. Seller A collects the buyer’s delivery / shipping address information.

#### **Transaction #2**



In Transaction #2, Seller A purchases good(s) from Seller B to fulfill the order placed in Transaction #1. Seller A provides the buyer’s delivery / shipping address from Transaction #1. Seller B is considered the drop shipper.

#### **Guidance for Transaction #1**

Transaction #1 is relatively simple as there are only two factors that must be considered:

1. Does Seller A meet the economic nexus threshold for collecting sales tax as a remote seller, and
2. Is the buyer’s delivery/shipping address in an ARSSTC member jurisdiction?



## Interpretation 2022.01

Section 040(A) of the Uniform Remote Seller Sales Tax code sets the economic nexus threshold at \$100,000 in gross sales or 200 individual transactions delivered statewide into Alaska, in either the current or previous calendar year. A remote seller would only be required to register with the Commission and collect sales tax once it reaches either of those economic nexus measures.

Furthermore, any sales tax to be collected by the remote seller is based on the point of delivery. Please see [Interpretation 2020.05 – Sourcing of Goods](#) or Interpretation 2021.05 – Remote Services & Sourcing for more information on point of delivery and sourcing of a transaction.

### Transaction #1 Summary

In the transaction #1 scenario, Seller A would only be required to collect sales tax as a remote seller if it meets the economic nexus threshold outlined above and if the final point of delivery is in a jurisdiction that is a member of the ARSSTC.

### Guidance for Transaction #2

Transaction #2 is more complicated as it brings in the question of resale exemption.

1. Does Seller B meet the economic nexus threshold for collecting sales tax as a remote seller,
2. Is the delivery/shipping address in an ARSSTC member jurisdiction, and
3. What resale exemption documentation should Seller B obtain from Seller A to exempt transaction #2 from sales tax?

The economic nexus threshold and the delivery/shipping address questions have the same implications as outlined for Transaction #1. However, Transaction #2 has the added element of possible resale exemption claim by Seller A on its purchase from Seller B.

Following are the possible types of resale documentation that are acceptable for Seller B to exempt its sale to Seller A:

- **Resale exemption certificate issued to Seller A by the local Alaskan taxing authority** where the transaction is sourced.
  - For more discussion on local Alaskan taxing authority exemption certificates, please see [Interpretation 2020.10 – Entity Based Exemption Certificates](#).
  - If Seller A is not located in a local Alaskan jurisdiction with a sales tax, it will not be able to obtain a resale certificate from its local jurisdiction.
- **ARSSTC Remote Reseller Sales Tax Exemption Certificate** issued to Seller A by the ARSSTC.
  - [ARSSTC Remote Reseller Certificate application](#)
  - An ARSSTC Remote Reseller exemption certificate may only be issued to Seller A if:
    - Seller A is not located in an Alaskan taxing jurisdiction and,
    - Seller A conducts remote sales across AK.



### Interpretation 2022.01

- If Seller A conducts remote sales across AK, it will need to register with the ARSSTC regardless of economic nexus threshold if it desires to obtain the ARSSTC Remote Reseller Exemption certificate.
- If Seller A does not conduct remote sales across AK, it will not be entitled to obtain the ARSSTC Remote Reseller Exemption certificate.
- **Uniform Sales & Use Tax Resale Certificate – Multijurisdiction** (from the Multistate Tax Commission) presented by Seller A.
  - Claims for resale exemption by Seller using the Uniform Sales & Use Tax Resale Certificate will be accepted for audit purposes by ARSSTC as appropriate documentation.

#### Transaction #2 Summary

In the Transaction #2 scenario, Seller B would only be required to collect sales tax on its sale to Seller A if the following two conditions are met:

- Seller B has exceeded the economic nexus threshold outlined in the Uniform Code and,
- Transaction #2 has a point of delivery located in an ARSSTC member jurisdiction.

If both of these conditions are met, Seller B has a requirement to charge sales tax on its sale to Seller A, **unless** Seller A provides appropriate documentation supporting their claim for resale.

Multiple forms of resale exemption documentation may be accepted by Seller B, including the ARSSTC Remote Reseller Exemption Certificate, the Uniform Sales & Use Tax Resale Certification from the MTC or a resale certificate issued to Seller A by the local Alaskan taxing authority.

The following page outlines several resale transaction scenarios discussing the possible resale certificate options for each scenario.



## Interpretation 2022.01

### **Resale Transaction Scenarios**

These scenarios are intended to provide several common examples of resale transactions. The presumption in each of these scenarios is that the purchaser is making the purchase solely for resale in Alaska.

#### **Scenario #1 - Alaskan business in local taxing jurisdiction being charged WA sales tax based on WA point of delivery**

- Alaskan business would fill out the MTC Multi-jurisdiction resale certificate with their local resale certificate number.
- This would be sufficient evidence to exempt the Alaskan business from the WA sales tax in accordance with WA state guidance.

#### **Scenario #2 - Alaskan business in non-taxing jurisdiction being charged WA sales tax based on WA point of delivery.**

- If Alaskan business is remote seller, i.e., conducts remote sales across AK, the business should register with ARSSTC regardless of economic nexus threshold.
  - Business should apply for ARSSTC remote reseller certificate and complete the MTC Multi-jurisdiction resale certificate with their ARSSTC Remote reseller certificate number.
- If Alaskan business is not a remote seller, i.e., does not conduct remote sales across AK, the business does not qualify for the ARSSTC remote reseller certificate and will not be able to use the MTC Multi-jurisdiction resale certificate.

#### **Scenario #3 - Alaskan business in local taxing jurisdiction being charged their local sales tax by remote seller.**

- Business should provide their local resale certificate to the remote seller to obtain exemption.

#### **Scenario #4 – Alaskan business located outside local taxing jurisdiction, being charged their local sales tax by remote seller based on point of delivery inside city.**

- Business is not entitled to local exemption certificate due to not conducting business in local taxing jurisdiction.
- If business is remote seller, i.e., conducts remote sales across AK, the business should register with ARSSTC regardless of economic nexus threshold.
  - Business should apply for ARSSTC remote reseller certificate and complete the MTC Multi-jurisdiction resale certificate with their ARSSTC Remote reseller certificate number.
- If Alaskan business is not a remote seller, i.e., does not conduct remote sales across AK, the business does not qualify for the ARSSTC remote reseller certificate and will not be able to use the MTC Multi-jurisdiction resale certificate.

#### **Scenario #5 - non-Alaskan business being charged AK sales tax by supplier / drop-shipper due to point of delivery in AK taxing jurisdiction.**

- Business should register with the ARSSTC as remote seller regardless of economic nexus threshold.
  - Business should apply for ARSSTC remote reseller certificate and complete the MTC Multi-jurisdiction resale certificate with their ARSSTC Remote reseller certificate number.



**To: ARSSTC Board**

**From: Clinton Singletary, Statewide Municipal Sales Tax Director**

**Date: June 15, 2022**

**Re: Draft amendments to Intergovernmental Agreement & Bylaws**

### **Background**

At its February 2, 2022 meeting the Board asked staff to bring a proposal for amending the Intergovernmental Agreement. This request was specific to the issue of Commission members that fail to adopt the Uniform Code within the 120-day window outlined in the Agreement.

Since then, staff also discovered a need to clarify the Agreement regarding member responsibilities when their local sales tax code is amended for either tax rate or exemption changes.

While working through these changes, it also became necessary to amend sections of the Commission Bylaws to keep consistency.

Following is a summary of the proposed amendments by section:

#### **Intergovernmental Agreement**

- Throughout Agreement
  - Minor edits to spacing and capitalization
- Article III - Definitions
  - Added definition of “Board of Directors”
  - Added “Member” to definition of “Member Jurisdiction”
- Article V – Membership Requirements
  - Section 2 edited to reflect full membership status dependent on adopting Uniform Code within 120 days
  - Section 3 introduces ‘Associate member’ status
  - Section 4 adds that members must adopt amendments of the Uniform Code within 120 days to retain full membership.
  - Section 5 clarifies that tax rate and exemption changes will take effect at least 30 days from when Commission is notified of adoption of changes.

#### **Commission Bylaws**

- Article II – Membership
  - Section 1 - added 120-day Code adoption requirement to retain full membership.
  - Section 2 - clarified that only members with full membership status may vote.
  - Section 4 - removed revocation of membership if Code not adopted in 120 days.
  - Section 5 - Added associate membership.



- Article III – Meetings
  - Section 6 – clarified that quorum is based on those present with “full membership”

**Process for adopting amendments**

For amending the Intergovernmental Agreement, Article IV, Section 3(h) states that the Agreement may be amended by majority vote of the Members.

The adoption process should likely flow as follows:

1. Approval by Board of Directors
2. Majority vote by Members
3. Ratification of amended Agreement by each Member’s local governing body

For amending the Commission Bylaws, Article XI allows two options:

1. Five affirmative votes of the Board of Directors or,
2. Majority vote of Commission Members.

# Alaska Intergovernmental Remote Seller Sales Tax Agreement

Revised Date:

June xx, 2022

## **Alaska Intergovernmental Remote Seller Sales Tax Agreement**

This Agreement is made and entered into by the signatories representing Alaska's cities and boroughs to enable them to implement single-level, statewide administration of remote sales tax collection and remittance. The provisions of the Agreement do not apply to administration and collection of sales taxes for the sales of goods and services originating from within the boundaries of a member municipality nor does this Agreement restrict how a member municipality administers and collects sales tax on such sales, nor on sales made by those retailers with a physical presence in the municipality. The authority to set rates and exemptions is maintained by the member municipality.

### **Article I. Background Principles.**

1. The signatories wish to enable local governments to benefit from opportunities for collection of existing sales tax on sales made by remote sellers. Remote sellers are sellers who sell, often through the internet, products or services in a taxing jurisdiction without having a physical presence in the taxing jurisdiction.
2. The collection of remote sales tax provides a level playing field for local businesses and strengthens the ability of local governments to provide public services and infrastructure.
3. The signatories are particularly mindful of the specific holding in, and implications of, the Supreme Court's *South Dakota v. Wayfair* decision, which provides guidance relative to nexus and the legal defensibility of a single-level statewide administration that reduces or removes potential burdens to interstate commerce.
4. Alaska's local governments have the authority to enter into intergovernmental agreements and applicable taxing authority has been delegated to organized boroughs and cities.
5. The signatories desire to establish an intergovernmental entity to enable cooperative centralized administration of sales tax collection, remittance, and enforcement on sales made by remote sellers.

### **Article II. Purpose.**

The purpose of this Agreement is to:

1. Enable cooperative centralized administration of sales tax collection, remittance, and enforcement on sales made by remote sellers using a single statewide intergovernmental entity;
2. Provide for and promote reasonable uniformity and compatibility in significant components of local sales tax levy and collection on sales made by remote sellers and marketplace facilitators in order to facilitate streamlined joint administration; and
3. Facilitate taxpayer and tax collector convenience and compliance in the filing of tax returns, the payment of tax, and in other phases of tax administration of sales made and services provided by remote sellers and marketplace facilitators.

### Article III. Definitions.

As used in this Agreement:

1. “Board of Directors” means the seven-person committee of Member Jurisdiction representatives charged with managing the business and affairs of the Commission.
2. “Commission” means the Alaska Remote Seller Sales Tax Commission established by Agreement between local government taxing jurisdictions within Alaska, and delegated tax collection authority.
3. “Local Government” means any home rule, first class, or second class borough, or any home rule, first class, or second class city, or unified municipality in Alaska.
4. “Member Jurisdiction” or “Member” means a taxing jurisdiction that is a signatory of the Alaska Remote Seller Sales Tax Agreement, thereby members of the Commission, and who have adopted the Alaska Remote Seller Sales Tax Code within 120 days of Commission membership.
5. “Remote seller” means a seller or marketplace facilitator making sales of goods or services for delivery within the State of Alaska without having a physical presence in the Member Jurisdiction in which delivery is made.
6. “Sales tax” means a tax imposed with respect to the transfer for a consideration of ownership, possession, or custody of property or the rendering of services measured by the price of the property transferred or services provided.
7. “Marketplace facilitator” means a person that contracts with remote sellers to facilitate for consideration, regardless of whether deducted as fees from the transaction, the sale of the remote seller’s property or services through a physical or electronic marketplace operated by the person, and engages:
  - (a) Directly or indirectly, through one or more affiliated persons in any of the following:
    - (i) Transmitting or otherwise communicating the offer or acceptance between the buyer and remote seller;
    - (ii) Owning or operating the infrastructure, electronic or physical, or technology that brings buyers and remote sellers together;
    - (iii) Providing a virtual currency that buyers are allowed or required to use to purchase products from the remote seller; or
    - (iv) Software development or research and development activities related to any of the activities described in (b) of this subsection (3), if such activities are directly related to a physical or electronic marketplace operated by the person or an affiliated person; and
  - (b) In any of the following activities with respect to the seller’s products:
    - (i) Payment processing services;

- (ii) Fulfillment or storage services;
- (iii) Listing products for sale;
- (iv) Setting prices;
- (v) Branding sales as those of the marketplace facilitator;
- (vi) Order taking;
- (vii) Advertising or promotion; or
- (viii) Providing customer service or accepting or assisting with returns or exchanges.

#### **Article IV. The Commission.**

##### **1. Organization and Management.**

- a. The Alaska Remote Seller Sales Tax Commission (the “Commission”) is hereby established as an intergovernmental entity in the state of Alaska. It will be comprised of one designated representative from each Member, who shall have the authority to act on the Member’s behalf.
- b. Each Member will be entitled to one vote.
- c. To assist conducting business when the full Commission is not meeting, the Commission will annually elect a Board of Directors of seven Members, including officers. The Board of Directors will act subject to the provisions of this Agreement and as provided in the bylaws of the Commission, as ratified by the Members.
- d. No action will be binding unless approved by a majority of the Directors present at a meeting.
- e. The Commission will adopt an official logo.
- f. The Commission will hold an annual meeting rotating the location of the meeting each year, with telephonic participation provided for, in addition to scheduled regular meetings and special meetings as provided by its bylaws. Notices of special meetings must include the reasons for the meeting and the items to be considered.
- g. The Commission will elect annually, from among its Members, a Chairman, a Vice Chairman, and a Secretary/Treasurer. The bylaws of the Commission shall provide for nomination and election of officers.
- h. The Commission will contract at formation for support and administrative functions with the Alaska Municipal League (AML). The Executive Director of the AML will serve as a liaison between the Commission and AML and may appoint necessary staff support. This provision will be revisited within three years of legal formation of the Commission.

- i. The Commission may contract for supplies and professional services, and delegates to AML the same ability on its behalf.
- j. To carry out any purpose or function, the Commission may accept and utilize donations and grants of money, equipment, supplies, materials and services, conditional or otherwise, from any Member or governmental entity.
- k. The Commission may establish one or more offices for the transacting of its business. Upon formation, its registered office and place of business will be the Alaska Municipal League at One Sealaska Plaza, Suite 200, Juneau, AK 99801.
- l. The Members will adopt the initial bylaws of the Commission. The Commission will make its bylaws easily accessible for Members and prospective members. The power to adopt, alter, amend or repeal bylaws is vested in the Board of Directors unless it is reserved to the Members per the bylaws. The bylaws shall contain provisions for the regulation and management of the affairs of the Commission not inconsistent with this Agreement.
- m. The Commission will provide annual reports to its Members covering its activities for the preceding fiscal year. The Commission may make additional reports.

## 2. Committees.

- a. In furtherance of its activities, the Commission may establish advisory and technical committees by a majority vote of the membership body. Membership on a technical committee, may include private persons and public officials. Committees may consider any matter of concern to the Commission, including issues of special interest to any Member and issues pertaining to collection of sales tax on behalf of Members.
- b. The Commission may establish additional committees by a majority vote of the Members or Board of Directors as its bylaws may provide.
- c. Committees may not take any action but may recommend action to the Board of Directors for consideration.

## 3. Powers.

In addition to powers conferred elsewhere in this Agreement and in the bylaws, the Commission may:

- a. Study federal, state and local sales tax systems, and particular types of state and local taxes.
- b. Develop and recommend proposals to promote uniformity and compatibility of local sales tax laws with a view toward encouraging the simplification and improvement of local tax law and administration.

- c. Compile and publish information to support and assist Members in implementing the Agreement or assist taxpayers in complying with local government sales tax laws.
  - d. Do all things necessary and incidental to the administration of its functions pursuant to this Agreement, including:
    - i. Sue and be sued.
    - ii. Administer provisions of uniform sales tax ordinances pursuant to authority delegated by Members
  - f. The Commission may create and adopt policies and procedures for any phase of the administration of sales tax collection and remittance in accordance with this Agreement and the Commission's bylaws, including delegated authority to administer taxation or prescribing uniform tax forms. Prior to the adoption of any policy, the Commission will:
    - 1. As provided in its bylaws, hold at least one meeting after due notice to all Members and to all taxpayers and other persons who have made timely requests to the Commission for advance notice of its policy-making proceedings.
    - 2. Afford all affected Members and interested persons an opportunity to submit relevant written comments, which will be considered fully by the Commission.
  - g. The Commission will submit any policy adopted by it to the designated representative of all Members to which they might apply. Each such Member will in turn consider any such policy for adoption in accordance with its own laws and procedures.
  - h. Amend this Agreement by majority vote of the Members.
4. Finance.
- a. At least 90 days prior to the start of a new fiscal year, the Board of Directors will adopt a budget of its estimated expenditures for the upcoming fiscal year and submit to Members.
  - b. The Commission will follow a July 1 to June 30 fiscal year.
  - c. The Commission's budgets must contain specific recommendations for service fees built into statewide administration. Service fees will account for direct staff and software costs, and indirect costs, as justifiable to the Board of Directors.
  - d. The Commission will not pledge the credit of any Member. The Commission may meet any of its obligations in whole or in part with funds available to it, provided that it takes specific action to set aside such funds prior to incurring any obligation to be met in whole or in part in such manner. Except where the Commission

makes use of funds available to it, the Commission may not incur any obligation prior to the allocation and commitment of funds adequate to meet the same.

- e. The Commission must keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Commission will be subject to the audit and accounting procedures established under its bylaws. All receipts and disbursements of funds handled by the Commission will be audited annually by a certified public accountant and the report of the audit will be included in and become part of the annual report of the Commission to Members.
- f. The accounts of the Commission will be open at any reasonable time for inspection by duly constituted officers of the Members, the State of Alaska, and by any persons authorized by the Commission.
- g. Nothing contained in this Article may be construed to prevent Commission compliance with laws relating to audit or inspection of accounts by or on behalf of any government contributing to the support of the Commission.

#### **Article V. Membership Requirements; Remote Seller Sales Tax Code.**

- 1. To obtain membership, the Local Government must submit either an Ordinance or Resolution authorizing entry into the Agreement, including to:
  - a. Designate the individual at the municipality that may execute initial binding documents on behalf of the municipality and who will be the Member's representative on the Commission.
- 2. To retain full membership status, Members have one hundred twenty (120) days from date of membership to submit an Ordinance or Resolution that:
  - a. Delegates remote seller sales tax registration, exemption certification, collection, remittance, and audit authority to the Commission and,
  - b. Adopts, by reference or otherwise, the Uniform Remote Seller Sales Tax Code in its entirety as it pertains to collection of sales tax from remote sellers and marketplace facilitators. The Uniform Remote Seller Sales Tax Code is provided as "Addendum A".
- 3. Failure of the Member to adopt the Uniform Remote Seller Sales Tax code within one hundred twenty (120) days from date of membership will cause the Member to be designated an "Associate Member" of the Commission.
  - a. Associate Members will lose their authority to vote on Commission matters that require a vote of the Members.
  - b. Once the Associate Member adopts the Uniform Remote Seller Sales Tax code, full membership status will be restored, including the authority to vote on Commission

matters.

4. Amendments or other changes made to the Agreement or Code should be ratified by the Member within one hundred twenty (120) days of the date the Commission adopts the change for the Member to retain full membership status.
5. The Member must provide notice of tax or boundary changes to the Commission and must assure the Commission of the accuracy of rates and exemptions.
  - a. Tax rate , exemption and other local tax code changes will take effect for remote sellers at least thirty (30) days from the date the Commission receives notice that the tax code or boundary changes have been adopted by the Member's local governing body.
  - b. Remote sellers will be given at least 30 days' notice, rounded to the nearest first of the month to allow sufficient time for implementation of the adopted changes.

## **Article VI. Sales Tax Collection and Administration.**

### **1. Collection; Registration; Remittance.**

- a. Every remote seller and marketplace facilitator meeting the Threshold Criteria of one hundred thousand (\$100,000) in annual sales or 200 annual transactions occurring in Alaska during the current or previous calendar year, shall collect sales taxes from the buyer at the time of sale or service and shall transmit the sales taxes collected to the Commission on a monthly or quarterly basis.
- b. The Commission will remit and report to Members by the last business day of the month.
- c. A remote seller or marketplace facilitator meeting the Threshold Criteria shall apply for a certificate of sales tax registration within thirty (30) calendar days of the adoption of this Remote Seller Sales Tax Code and/or within thirty (30) calendar days of meeting the threshold, whichever occurs later. Registration shall be to the Commission on forms prescribed by the Commission as set out in the remote seller sales tax code.
- d. Upon receipt of a properly executed application, the Commission shall issue the applicant a certificate of registration, stating the legal name of the seller, the primary address, and the primary sales tax contact name and corresponding title. A list of registered sellers in good standing shall be distributed to Members, made public and available on the Commission's webpage.

### **2. Returns; Confidentiality.**

- a. The Commission will provide all sales tax return information to the taxing jurisdiction, consistent with local tax codes.
  - b. All returns, reports and information required to be filed with the Commission under this Code, and all information contained therein, shall be kept confidential and shall be subject to inspection only by:
    - i. Employees and agents of the Commission and taxing jurisdiction whose job responsibilities are directly related to such returns, reports and information;
    - ii. The person supplying such returns, reports and information; or
    - iii. Persons authorized in writing by the person supplying such returns, reports and information.
- 3. Title; Penalty and Interest; Overpayment.**
- a. Upon collection by the seller, title to the sales tax vests in the Commission and the Member on whose behalf the original tax arose. The Commission shall act as a third-party trustee and remit taxes collected on behalf of the Member no later than thirty (30) days after each filing deadline.
  - b. The Uniform Remote Seller Sales Tax Code shall establish the per annum interest rate and any applicable penalties for late or non-compliant remote sellers.
  - c. Upon request from a buyer or remote seller the Commission shall provide a determination of correct tax rate and amount applicable to the transaction. In the case of an overpayment of taxes, the remote seller shall process the refund and amend any returns accordingly.
- 4. Audit; Compliance and Enforcement.**
- a. The Commission shall have sole audit authority and will make final determinations regarding: (1) whether a remote seller or marketplace facilitator meets Threshold criteria; (2) the accuracy of returns filed by a remote seller or marketplace facilitator with the Commission; and (3) whether a remote seller or marketplace facilitator filing returns with the Commission is in compliance with collection and remittance obligations.
  - b. The Commission shall have authority to enforce issues relating to the Remote Sellers Sales Tax Code including, but not limited to, the collection of late fees and penalties, and filing of civil suits and injunctions.

## **Article VII. Entry into Force and Withdrawal.**

- 1. This Agreement will be in force and effective when formally approved by any seven

signatories and will terminate if membership falls below seven.

2. Any Member may withdraw from this Agreement through ordinance or resolution rescinding signatory action and giving notice to the Commission of the effective date of the ordinance, with a minimum of 30 days' notice. Withdrawal will not affect any liability already incurred by or chargeable to a Member prior to the effective date of such withdrawal. The obligations of the Commission to remit and report remain until no longer necessary.

#### **Article VIII. Effect on Other Laws and Jurisdiction.**

Nothing in this Agreement may be construed to:

1. Affect the power of any local government to fix rates or tax exemptions, except that all Members must adopt and implement the Commission's common definitions and tax code changes or demonstrate parity or non-applicability.
2. Withdraw or limit the authority of local government with respect to any person, corporation, or other entity or subject matter, except to the extent that such authority is expressly conferred by or pursuant to this Agreement upon another agency or body.
3. Supersede or limit the jurisdiction of any court of the State of Alaska.

#### **Article IX. Construction and Severability.**

This Agreement shall be liberally construed so as to effectuate its purposes. The provisions of this Agreement shall be severable and if any phrase, clause, sentence, or provision is declared or held invalid by a court of competent jurisdiction, the validity of the remainder of this Agreement and its applicability to any government, agency, person or circumstance will not be affected. If any provision of this Agreement is held contrary to the charter of any Member, the Agreement will remain in full force and effect as to the remaining Members and in full force and effect as to the Member affected in all other provisions not contrary to charter.

**Bylaws of the  
Alaska Remote Seller Sales Tax Commission**

**ARTICLE I - OFFICES**

Section 1. Registered Office.

A registered office will be maintained by the Commission in the State of Alaska at One Sealaska Plaza, Suite 200, Juneau, AK 99801, or at such location as the Board of Directors designates.

Section 2. Other Offices.

The Commission also may have offices at such other places as the Board of Directors determines or the business of the Commission may require.

**ARTICLE II – MEMBERSHIP**

Section 1. Qualifications.

To obtain full membership, the legislative body of an Alaska municipality must submit either an Ordinance or Resolution authorizing the Alaska Intergovernmental Remote Seller Sales Tax Agreement.

- A. To retain full membership status, a member must adopt, by reference or otherwise, the Uniform Remote Seller Sales Tax Code in its entirety as it pertains to collection of sales tax from remote sellers within 120 days from authorization of the Alaska Intergovernmental Remote Seller Sales Tax Agreement

Section 2. Privileges.

- A. Voting. Members with full membership status may vote.
- B. Holding Office. Individual representatives of members may hold office.
- C. Committees. Members may serve on a committee.

Section 3. Dues or fees.

- A. Annual dues or fees for all members, if adopted, shall be fixed by the Board.
- B. Membership belongs to the individual municipality and may not be transferred.

Section 4. Revocation of Membership.

- A. Membership shall be revoked immediately upon the resignation of a member, or non-payment of dues, if any.

**Section 5. Associate Membership**

- A. A member that does not adopt, by reference or otherwise, the Uniform Remote Seller Sales Tax Code in its entirety within one hundred twenty (120) days from date of membership will be designated an Associate Member.
- B. A member that does not adopt amendments or other changes to the Code within one hundred twenty (120) days of notice of the changes will be designated an Associate Member.

- C. Associate members will lose the ability to vote on Commission matters until adoption of the Code and / or its amendments.

### ARTICLE III - MEETINGS

#### Section 1. Annual Meetings.

Each year, the Commission shall hold an annual meeting of members on such date and on such time as shall be determined by the Board of Directors, at which meeting the members shall elect a Board of Directors and transact any other business as may properly be brought before the meeting.

#### Section 2. Location of Meetings.

Meetings of members shall be held at such place as determined by the Board of Directors. Meetings may be rotated annually between member jurisdictions, as possible and for the convenience of the members.

#### Section 3. Special Meetings.

Special meetings of the members may be called at any time by the President or the Board of Directors, or members holding not less than ten percent (10%) of all the votes entitled to be cast at such meeting. Business transacted at any special meeting shall be confined to the purpose or purposes set forth in the notice of the special meeting.

#### Section 4. Notice of Meetings.

Whenever members are required to or permitted to take action at a meeting, a written notice of the meeting shall be provided to each member. The written notice shall state the place, date, and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise provided for by law, written notice of any meeting shall be given not less than ten (10) nor more than fifty (50) days before the date of the meeting to each.

#### Section 5. Written Notice Defined.

Written notice shall be accomplished via first class mail or via email sent to the address or email address last provided by the member.

#### Section 6. Quorums and Adjournments.

Members may take action on a matter at a meeting only if a quorum exists with respect to that matter. Except as otherwise provided by law, a majority of the members of the Commission with full membership status, in attendance (physically or telephonically) constitute a quorum at a meeting of the members, and a majority of the board of directors constitutes a quorum for board meetings. Once a member or board member is represented at a member or board meeting (other than solely to object to the holding of the meeting), the member is deemed present for quorum purposes for the remainder of the meeting and the members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of

sufficient members to leave less than a quorum. The holders of a majority of the members represented at a meeting, whether or not a quorum is present, may adjourn the meeting from time to time.

#### Section 7. Voting.

If a quorum exists, action on a matter (other than the election of directors) is approved if the votes cast favoring the action exceed the votes cast opposing the action. Directors shall be elected by a plurality of the votes cast by the members (provided a quorum exists). Unless otherwise provided by law, each member shall be entitled to one vote on each matter.

#### Section 8. List of Members.

The Secretary of the Board of Directors shall prepare and make, at least ten (10) days before any meeting of the members, a complete list of the members, arranged alphabetically, and showing the address of each member. The list shall be open to the examination of any member for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten (10) days before the meeting, either at a place in the city where the meeting is to be held, which place must be specified in the notice of the meeting, or at the principal offices of the Board of Directors. The list shall also be produced and kept available at the time and place of the meeting, for the entire duration of the meeting, and may be inspected by any member present at the meeting.

#### Section 9. Meeting by Conference Call or Electronic Media.

One or more members may participate in a meeting of the members or board by means of a conference telephone, videoconferencing, or similar communications equipment by means of which all persons participating in the meeting can hear (and potentially see) each other. Participation in this manner shall constitute presence in person at such meeting.

A. For meetings held exclusively via conference call or electronic media, the following procedure must be followed: (1) notice to members of the time and locations where the meeting will be held by electronic media has been given in the same manner as if the meeting were held in a single location; (2) members in attendance can hear and have the same right to participate in the meeting as if the meeting were conducted in person; and (3) copies of pertinent reference materials, statutes, regulations and audio-visual materials are reasonably available to the members. A meeting by electronic media as provided in this Section 7 has the same legal effect as a meeting in person.

#### Section 10. Alaska Open Meetings Law.

All annual and special meetings of the members of the Commission, all regular and special meetings of the Board of Directors and all meetings of committees of the Board of Directors, if any, will be conducted in accordance with the Alaska open meetings law found at AS 44.62.310.

### **ARTICLE IV - DIRECTORS**

### Section 1. Powers.

The business and affairs of the Commission will be managed under the direction of, the Board of Directors of the Commission, which may exercise all such powers of the Commission and do all lawful acts and things, subject to any limitations set forth in these Bylaws or under Alaska Statutes.

### Section 2. Number. Qualifications and Election.

The number of directors shall be set at seven (7). Each director shall be at least 21 years of age. Board members must be an employee, agent of, or elected official of a member entity with an active membership. The directors shall be elected by the members at the annual meeting by the vote of the members. Each director shall be elected for a term of two (2) years, except within the initial term where three members have one (1) year, and until his or her successor shall be elected and shall qualify or until his or her earlier resignation or removal.

- A. Initial Election - Term. All members eligible to vote shall vote for the Board of Directors by seat. The first four (4) seats will serve two-year terms. The next three (3) seats will serve one-year terms. Thereafter, all vacancies shall be for a two (2) year term.

### Section 3. Nomination of Directors.

The Board of Directors may nominate candidates to stand for election as directors. Other candidates may also be nominated by any member of the Commission provided such nomination is submitted in writing to the Commission's Secretary at least thirty (30) calendar days prior to the annual meeting, except for the provisional board selection.

### Section 4. Vacancies.

Except as otherwise provided by law, any vacancy in the Board of Directors occurring by reason of an increase in an authorized number of directors or by reason of death, withdrawal, removal, disqualification, inability to act, or resignation of a director shall be filled by a designee of the member municipality. In the case of a successor, the successor shall serve until the next election.

#### A. Process for Filling Vacancy.

1. The Secretary shall prepare a notice of vacancy for the next election, stating that a vacancy has occurred and advising interested members as to the procedure for the filling of the vacancy.
2. Eligible members will have thirty (30) calendar days to submit nominations. Nominations shall include a letter of interest describing the nominee's interest to serve on the Board.
3. A board member elected to fill a vacancy shall serve for the remainder of the vacant term.

### Section 5. Compensation.

There shall be no compensation for board participation. Expenses of attendance including travel may be allowed for attendance at each regular and special meeting of the Board and reimbursed to the respective Director's municipality.

### Section 6. Removal of Directors.

Any director of the Board of Directors may be removed, with or without cause, by a majority of the members eligible to vote.

#### Section 7. Resignation.

Any director may resign at any time by giving notice to the Board or the Secretary. Any such resignation will take effect upon receipt of such notice or at any later time specified in the notice. The acceptance of such resignation will not be necessary to make it effective, provided that the Board of Directors may reject any postdated resignation by notice in writing to the resigning director.

## **ARTICLE V - OFFICERS**

#### Section 1. Positions.

The officers of the Board of Directors shall be a President, a Vice President, a Secretary, and a Treasurer, and such other officers as the Board may from time to time appoint, and such other officers it deems advisable. Each such officer shall exercise such powers and perform such duties as shall be set forth herein and such other powers and duties as may be specified from time to time by the Board of Directors. The officers of the Board of Directors shall be elected by the Board members. Each of the President and/or the Vice President may execute bonds, mortgages, and other documents under the seal of the Commission, except where required or permitted by law to be otherwise executed and except where execution thereof shall be expressly delegated by the Board to some other officer or agent of the Commission.

#### Section 2. President. The President shall:

- A. Preside at all meetings;
- B. Be chair of the Board of Directors;
- C. Be an ex-officio member of all committees;
- D. In the event of a vacancy in a committee chairmanship, have the power to appoint a chairperson from among the members of the committee in which the vacancy occurs or from the General membership, after approval from the Board of Directors;
- E. Appoint, subject to the approval of the Board of Directors, committee members to fill vacancies during the year;
- F. Call meetings of the Board of Directors;
- G. Have the general powers and duties of management and supervision usually vested in the office of President of a corporation.
- H. Perform all other duties as are incident to the office or are properly required of the President by the Board of Directors.

#### Section 3. Vice President. The Vice President shall:

- A. Assist the president throughout the year;
- B. Assume the duties of the president in the latter's absence;
- C. Succeed to the office of president in the event of a temporary vacancy in the office or the president's inability to perform the duties of office;
- D. Be available to the president upon the request for assistance.

#### Section 4. Secretary. The Secretary shall:

- A. Keep the minutes of all regular and special meetings of the general membership and the Board of Directors;
- B. Record all the votes of the Commission and the minutes of all its transactions in a book to be kept for that purpose;
- C. Provide the president with a copy of the minutes within ten (10) business days after the meeting;
- D. Conduct such correspondence as shall be requested by the president, Board of Directors or the general membership;
- E. Be custodian of all records except financial records and committee reports;
- F. Give, or cause to be given, notice of all meetings of the members and special meetings of the Board of Directors
- G. Maintain the list of all eligible voting members and make the list available upon reasonable request.

Section 5. Treasurer. The Treasurer shall oversee the custody of the funds and securities of the Commission. The Treasurer shall:

- A. Maintain oversight of all monies of the Commission and the due payment of all authorized obligations;
- B. Arrange for the annual audit, performed by a CPA
- C. Ensure the filing of any necessary tax documents;
- D. Submit and review an annual treasurer's report to the Board and general membership at the annual meeting;
- E. Submit other treasurer's reports as requested by the Board of Directors;
- F. Prepare an annual budget for upcoming year and present it at an annual conference meeting;
- G. Be custodian of all financial records;

## **ARTICLE VI – COMMITTEES**

Section 1. There may be standing and special committees.

Section 2. The standing committees may include Conferences/Meetings, Membership, Code, and Budget and Finance.

Section 3. Special committees are appointed by the President for a special function or task and will remain active until their function is completed and/or they are dissolved upon the completion of their responsibility.

Section 4. The chairman of the standing committees shall be appointed by the President for a one-year term with approval of the Board of Directors. Any active member is eligible to serve.

Section 5. Membership in the committee is open to any person employed by an active member.

## **ARTICLE VII – FINANCES**

Section 1. Duty of Care.

The assets and reporting to be administered through the Administration, its officers, Directors, employees and agents will be done with the same care, skill, prudence and diligence under the circumstances then prevailing that a tax authority would use in the conduct of an enterprise of a like character and with like aims.

Section 2. Budget.

The Budget and Finance Committee shall prepare a budget for the ensuing year for approval by the Board of Directors. The budget as approved by the Board shall be provided to the General Membership for its information.

Section 3. Fiscal Year.

The fiscal year for the Commission shall be from July 1 to June 30.

Section 4. Checks, Drafts.

All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Commission, will be signed or endorsed by such person or persons and in such manner as determined by resolution of the Board of Directors.

Section 5. Annual Audit.

The board shall have annually audited the financial statements of the Commission by a CPA.

**ARTICLE VIII - BOOKS AND RECORDS**

Section 1. Correct and Complete, Inspection.

- A. The Commission will keep correct and complete books and records of account and will keep minutes of the proceedings of its members, the Board of Directors, and committees appointed by the board, if any.
- B. All books and records of the Commission may be inspected by any member or its agent or attorney for any proper purpose at any time during normal business hours at the registered office of the Commission.

**ARTICLE IX - ADMINISTRATIVE STRUCTURE**

Section 1. Staffing.

- A. The day-to-day operations of the Commission will be carried out by such contracted support as necessary, and during the first three years by the Alaska Municipal League, under the supervision of the Board of Directors.
- B. The Commission will enter into agreements with its administrative contractor and as adopted by the Board of Directors setting forth the terms and conditions for the implementation of and compliance with the provisions of (A) of this Section 1.
- C. This provision will be revisited within three years of legal formation of the Commission.

## **ARTICLE X – GENERAL PROVISIONS**

### **Section 1. Indemnification.**

The Commission will defend, indemnify and hold harmless each director, officer and employee of the Commission for expenses, including attorney's fees, and the amount of any judgment, money decree, fine, penalty or settlement for which he or she may become liable by reason of his or her being or having been a director, officer or employee of the Commission or who exercises powers or performs duties for the Commission.

Notwithstanding the foregoing, no indemnification shall be made by the Commission if judgment or other final determination establishes that the potential indemnitee's acts were committed in bad faith or were the result of active or deliberate fraud or dishonesty or clear and gross negligence.

### **Section 2. Insurance.**

The Commission shall purchase and maintain insurance in a reasonable amount on behalf of any person who is or was a director, officer, agent, or employee of the Commission against liability asserted against or incurred by such person in such capacity or arising from such person's status as such.

### **Section 3. Roberts Rules.**

The rules contained in Robert's Rules of Order, Newly Revised shall govern the Commission in all cases to which they are applicable.

### **Section 4. Headings.**

The headings contained in these Bylaws are for convenience only and will not in any way affect the meaning or interpretation of these Bylaws.

## **ARTICLE XI – AMENDMENTS TO BYLAWS**

### **Section 1.**

These Bylaws may be amended by five (5) affirmative votes of the Board of Directors, or at any meeting of the General Membership of those present to vote by a majority vote, provided that the proposed amendments shall have been submitted in writing to the voting members at least thirty (30) calendar days prior to the meeting of the General Membership at which they will be considered.

### **Section 2.**

These Bylaws may be amended at the annual meeting of the General Membership without previous vote, by the unanimous vote of the voting body.

### **Section 3. Recordation**

Whenever action is taken to amend or alter the Bylaws or adopt a new Bylaw, a copy of the amendment, alteration or new Bylaw will be filed and kept in the minute book with the original Bylaws. If any Bylaw is repealed, the fact of such repeal and the date on which it

occurred will be recorded in the minute book, and a copy of it will be placed next to the original Bylaws.

## **ARTICLE XII - DISSOLUTION**

### Section 1.

In the event of dissolution of the Commission, upon payment of all outstanding obligations, all of the assets shall be distributed evenly among those members who were active, in good standing and qualified to vote at the last General Membership meeting.

### Section 2.

It shall be the responsibility of the President and the Treasurer to complete all necessary federal and state forms upon dissolution.

I, the undersigned being the Secretary of the Alaska Remote Sales Tax Commission hereby certify the foregoing to be the Bylaws of the Commission, as adopted by the membership, on the 18<sup>th</sup> day of November 2019.



**To: ARSSTC Board**

**From: Clinton Singletary, Statewide Municipal Sales Tax Director**

**Date: June 15, 2022**

**Re: Multistate Tax Commission Annual Meeting**

AMSTP staff will be attending the Multistate Tax Commission's annual meeting in Anchorage later this summer. The meeting will be held August 1 – 4 and is open to the public if any members of the Board are interested in also attending.

The agenda for the meetings have not yet been released, but there will undoubtedly be topics of interest to the Commission and its members. AMSTP staff will bring prepare a summary of the conference for the ARSSTC Board at a subsequent board meeting.