



**Alaska Remote Seller Sales Tax Commission**  
**Board of Directors Meeting**  
**December 15, 2021 10:00am – 12:00pm**  
*Virtual via Zoom*

Board of Director Attendees:

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

1. Call to order
2. Approval of the Agenda
  - a. Motion to approve by Scott Bloom, no objection
3. Approval of the Minutes
  - a. 11.17.2021 Annual Meeting minutes
    - i. Motion to approve by Scott Bloom, no objection
4. Public participation on Non-Agenda Items
  - a. No participation.
5. Official Business
  - a. Conduct Election of remaining Officers Seats
    - i. Secretary

Current responsibility of Secretary is signing approved meeting minutes. Jeff Rogers nominates Melissa Haley to continue as Secretary. No other nominations received, no objections to Melissa Haley's nomination.

ii. Treasurer

Jeff Rogers nominates Brandi Harbaugh to continue as Treasurer. No other nominations received, no objections to Brandi Harbaugh's nomination.

- b. Committee chairman appointments
  - i. Finance Committee



Jeff Rogers nominates Brandi Harbaugh to continue serving as Finance Committee chair. No objections.

ii. Policy Committee

Board President can appoint person to role with Board approval. In previous conversations, no one has stepped up. Maureen Graham (Wasilla) has volunteered to give reports to Board but unsure if she is willing to be Chair. Troy Tankersley to speak with Maureen about Chair position.

Board requested this be brought to Policy Committee at next meeting to ask for other volunteers. Bring responses back to Board at future meeting.

c. Additional Finance Committee members / participants

Finance Committee is down to two members, Brandi Harbaugh (KPB) and Jila Stuart (Haines). Finance Committee will likely meet quarterly with possible additional meetings occasionally.

Board requests Clinton Singletary send out member jurisdiction wide invitation to participate in Committee, not limited to Finance Directors or City Managers. Bring responses back to Board at future meeting.

d. Discussion on increasing economic nexus threshold

- i. Kenai Borough Assembly Resolution
- ii. Economic Nexus Thresholds by state

Discussion around the financial impact of this change. Something AMSTP staff has wrestled with and have done some analysis but are limited by lack of data and not having a full picture of economic impact since we don't have access to the full view of statewide sales. Board discussion about impacts of increasing limits, who has requested this increase, how the tax collection and filing burden affects smaller businesses, and how the filing burden affects service providers. Possibility of addressing issue as an exemption instead of adjusting threshold. Commission's best interest to focus efforts on compliance by large businesses. When we look at the thresholds for other states, the \$100,000 is in line with national trends. Some comfort with going to \$150,000 or change limits on who can file annually or quarterly. Hesitancy to change things too quickly.

Requested AMSTP report on # sellers by sales volume along with proposal allowing greater volume of quarterly or annual filing.

Kenai Borough resolution also mentioned desiring a robust audit & compliance program. Jeff Rogers asked for update on AMSTP's efforts. AMSTP is currently advertising for a position to help free up Kara and Clinton to develop audit program. Have not conducted formal audits but have contacted businesses reporting questionable exemptions. These outreaches have generated amended returns and changes to the seller's software settings.

Stephanie Queen asked about AMSTP staff's confidence with how accurately buyers are being taxed related to geography? Why are so many large companies not using our TTR solution? Many large companies already have their own 3<sup>rd</sup> party address system and can't use TTR. Others have their own software. The problem we encounter (ZIP larger than taxing jurisdiction) there is no impetus for companies to change what they are doing. They are choosing to not use the tools and we can't force them. It is up to the customer to provide the feedback to the company. Most vocal communities are Ketchikan, Wasilla, North Pole.



e. FY22 Financials update

Clinton plans to present quarterly update and monthly breakdown for previous month at future Board meetings. Request from Board to include prior year comparison, YTD for same point in time i.e. Q1 to Q1.

Board continues to appreciate monthly update from AMSTP staff, right length with few salient bullets.

6. Comments

Jeff Rogers: good conversation with AML on Board engaging with GovOS to reduce fees. The Board feels fiduciary responsibility to make sure members are not overpaying for a service. GovOS has been a partner from the beginning and we could not be at our current position if they were not our partner. We avoided upfront costs but amortizing in upfront rate. No incentive on GovOS to cut costs.

Stephanie Queen: she has asked Soldotna’s municipal attorney to review the MUNIRevs contract specifically around fee thresholds and fee reductions and the requirements to reset annually. Is that a reasonable interpretation of the contract?

Scott Bloom: he has looked at the MUNIRevs contract language and it does not specify that it resets annually. Agree that MUNIRevs has helped us a lot but it was so expensive because there was a risk if the sales and project would be successful. There is a reasonable argument that the fee reduction be based on life of contract and not on annual basis.

Brandi Harbaugh: Asked about possibly comparing fee structure for brick and mortar businesses being served by same MUNIRevs software? Is it same platform & mechanism? Possibly could use as way to propose reduced overall rate when negotiating in the future with MUNIRevs.

7. Adjournment – meeting adjourned at 11:08am.

Respectfully submitted, Clinton Singletary, AMSTP Sales Tax Director

<b>Approved:</b>		
<b>By:</b>	<b>Melissa Haley, ARSSTC Board Secretary</b>	<b>Date</b>