



**ARSSTC Board Meeting
August 18, 2021, 9:00am-11:00am, Virtual**

Board Present:

- Scott Bloom, City of Kenai
- Melissa Haley, City of Sitka
- Brandi Harbaugh, Kenai Peninsula Borough
- Stephanie Queen, City of Soldotna
- Jeff Rogers, City and Borough of Juneau
- Troy Tankersley, City of Wasilla

Board Absent:

- Mike Tvenge, City of Kodiak

Others in Attendance:

- Maureen Graham, City of Wasilla
- Kara Johnson, AMSTP Sales Tax Administrator
- Karl Kaufman, Landye Bennett Blumstein
- Sean Kelley, Kenai Peninsula Borough
- Clinton Singletary, AMSTP Sales Tax Director

1. Call to order
 - a. Meeting started at 9:01am
2. Approval of the Agenda
 - a. Motion to approve by Troy Tankersley, no objection
3. Approval of the Minutes
 - a. 6/22/21 Board meeting minutes
 - i. Motion to approve by Scott Bloom, no objection

4. Policy Committee Report

Maureen Graham provided a report from the Policy Committee. They passed Interpretations 2021.05 Remote Services & Sourcing and 2020.10 Entity & Product Based Exemption. Graham indicated there was not unanimous consent for the final draft of 2021.05. There was discussion of the term 'service rendered' and the term 'received' and 'receipt' and that a service is not necessarily received where it is rendered. There remains potential conflict from local tax codes and the ARSSTC Uniform Code in determining the 'point of delivery' that could lead to possible



double taxation. The Policy Committee also discussed Multi-Level Marketing businesses possibly filing through ARSSTC, sales tax being included in the selling price, and entity-based exemption certificates.

5. Old Business

None at this time.

6. New Business

a. Interpretation 2021.05 – Remote Services & Sourcing

Clinton Singletary gave a summary of the work to date for remote services and sourcing. The Uniform Code was updated to define where services are delivered which creates a potential conflict with jurisdictions who tax on where the service was performed (rendered) and not where the service was delivered. At the time of the Uniform Code updates, the board agreed to pass the new language and come back to the local codes for potential modification. Some ARSSTC members have updated their local code language to reflect destination-based sourcing.

The board discussed the terms “delivered” and “rendered” in terms of “point of delivery.” They discussed the impact of shifting revenue from one jurisdiction to another and the burden on services providers to change the way they tax their services.

Brandi Harbaugh from Kenai Peninsula Borough said their assembly requested an increase in audit compliance for ARSSTC filers, to increase the economic threshold to \$250,000 state-wide to reduce the burden on Alaskan businesses and recommends using a borough wide boundary and not the local jurisdiction boundary to determine if a sale is remote. I.e., a business has a physical presence in one part of a borough, and ship to sellers in a different part of the borough where they do not have a physical presence, they should still consider that sale physical presence and file directly with the borough.

Motion to approve 2021.05 – Remote Services & Sourcing by Melissa Haley, seconded by Troy Tankersley, no objection.

b. Interpretation 2020.10 – Entity & Product Based Exemption Certificates

Clinton Singletary gave a summary of the work to date for entity and product-based exemption certificates. This is an update to a previous interpretation and clarifies member jurisdictions are responsible for issuing entity-based exemption certificates. If they do not issue a certificate for a particular category, the seller is relieved of the burden of collecting one for that sale. Staff will compile and publish a comprehensive list of jurisdiction exemption applications for seller reference.

Motion to approve 2020.10 – Entity & Product Based Exemptions Certificates as modified by Stephanie Queen, no objection.



c. Due Date Complications within MUNIRevs

Clinton Singletary gave an overview of the issue. The Uniform Code allows for an extension to the next working day if the due date falls on the weekend or holiday. The MUNIRevs system runs off the date the filing was complete and cannot pull in data after the end of the month. MUNIRevs recommendation is to change the language in the Uniform Code to a strict end of month deadline.

The board recommended no change in action at this time and requested a quote from MUNIRevs to update their system to allow for the filing deadline extension.

7. Information and Discussion Items

a. ARSSTC Hearing Committee

Clinton Singletary introduced the topic. There can be conflicting interpretations between local jurisdiction representatives and those of the Alaska Municipal Sales Tax Program (AMSTP) staff regarding the Uniform Code and local codes. There is nothing in the Intergovernmental Agreement that addresses differences in interpretations. There is value in having an official process for jurisdictions to present their differences of interpretation. The board discussed creating a hearing committee, its composition, and how to handle conflicts of interest.

The board agreed they would serve as the hearing committee for future conflicts.

b. MUNIRevs Corporate Update

Clinton Singletary gave an update that MUNIRevs was recently purchased by the company GovOS; our support team will remain the same and our contact terms stay in place.

The board recommended reviewing the MUNIRevs contract at a future meeting.

8. Comments

Scott Bloom: reminder of the annual AML conference in November in person in Anchorage. Should the ARSSTC annual board meeting be held during that week?

Jeff Rogers: the Alaska Government Finance Officers Association meetings are the first part of that week; Wednesday would be the day with the most overlap with the AML conference.

9. Adjournment 10:36am

Respectfully submitted, Clinton Singletary, AMSTP Sales Tax Director



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Approved:	
Melissa Haley, ARSSTC Board Secretary	Date