

Sales Tax Rules Meeting Minutes

Date: July 18, 2018
Time: 1:30 PM
Location: 1CR5

Welcome & Introductions..... Leah Parsons, TRU

Recap of June Meeting..... Leah Parsons, TRU

Rules Status Report..... Leah Parsons, TRU

The chair reported that some concerns were raised about the addition of the word “assembly” to Rules 011 and 043. Those rules and Rule 029 were referred for further offline discussion.

Review rule drafts

Sales and Use Tax (35.01.02)		
RULE NUMBER	TITLE	TODAY’S ACTION
Rule 011	RETAIL SALES: SALE AT RETAIL	The chair explained that the term “assembly” was added in this rule, as well as Rules 029 and 043, because each of these rules has a section on “fabricating.” The chair stated that she would take the three rules dealing with assembly offline for further discussion and would bring them back to the August 22 meeting.
Rule 029	PRODUCING, FABRICATING, AND PROCESSING	All present agreed to discuss this rule offline, with Rule 011 and Rule 043, and bring back to the August 22 meeting.
Rule 041	FOOD, MEALS, OR DRINKS	After discussion, the chair stated she would revise for the next meeting.
Rule 043	SALES PRICE OR PURCHASE PRICE DEFINED	All present agreed to discuss this rule offline, with Rule 011 and Rule 029, and bring back to the August 22 meeting.
Rule 077	EXEMPTION FOR RESEARCH AND DEVELOPMENT AT INL	The chair stated that 2018 legislation extended the statutory sunset of the INL exemption and the rule additions were broken into two sections, with the second section specific to applicable exemptions.

Rule 106	MOTOR VEHICLES SALES, RENTALS, AND LEASES	The chair stated this rule was changed to be consistent with form changes that result from splitting Form ST133 and Form ST104MV and the addition of a definition of "sales price." She said the process of notifying dealerships about the changes has begun. The chair also noted that the word "assessor" was changed in Section D, and "average trade-in value" was changed in Section E.
Rule 107	VEHICLES AND VESSELS -- GIFTS, MILITARY PERSONNEL, NONRESIDENT, NEW RESIDENT, TAX PAID TO ANOTHER STATE, SALES TO FAMILY MEMBERS, SALES TO AMERICAN INDIANS, AND OTHER EXEMPTIONS	The chair stated that the changes in this rule are aimed at maintaining consistency with changes to applicable forms. She explained that the rule inappropriately used "motor vehicle" and "vehicle" interchangeably.
Rule 110	RETURNS FILED BY COUNTY ASSESSORS AND FINANCIAL INSTITUTIONS	The chair went through the changes. There were no questions.
Rule 117	REFUND CLAIMS	The chair stated that the committee is tasked with clarifying what documentation the filer must provide. There were no questions.
Rule 128	CERTIFICATES FOR RESALE AND OTHER EXEMPTION CLAIMS	The chair explained changing the word "purchaser" to "buyer" for consistency with changes in the related forms. A staff member proposed one technical change, which was discussed and agreed upon. There were no questions.

Prepaid Wireless E911 Fee (35.01.14)		
RULE NUMBER	TITLE	TODAY'S ACTION
Rule 003	ADMINISTRATIVE APPEALS	The chair stated that appeals information is being added to make E911 consistent with other tax types. After discussion, the chair stated she would bring the rule back for consideration at the August 22 meeting.

The next open sales tax meeting will be in 1CR5 on August 22, 2018 at 10:00 AM