

---

*SUMMARY OF BASIC REQUIREMENTS OF MARKETPLACE FAIRNESS ACT  
FOR STATES THAT ARE NOT MEMBERS OF THE STREAMLINED SALES AND USE TAX AGREEMENT*

---

Under proposed Marketplace Fairness Act of 2017 (S. 976 of the 115<sup>th</sup> Congress), states that are not Member States under the Streamlined Sales and Use Tax Agreement are authorized to require remote sellers having gross annual receipts in total remote sales in the United States in the preceding calendar year exceeding \$1,000,000 to collect and remit sales and use tax if the state implements legislation that provides for the following minimum simplification requirements:

1. A single entity responsible for all state and local sales and use tax administration, return processing and audits for remote sales sourced to the state.
2. A single audit of a remote seller for all state and local taxing jurisdictions within that state.
3. A single sales and use tax return to be filed by remote sellers with the single administrative entity.
4. A state cannot require remote sellers to file sales and use tax returns more frequently than non-remote sellers or impose collection requirements not imposed on non-remote sellers.
5. A uniform sales and use tax base among the state and local taxing jurisdictions within the state.
6. All remote sales will be sourced as specified in the Marketplace Fairness Act.
7. Information on the taxability of products or services, exemptions, and a rates and boundary information database.
8. Free software that calculates sales and use tax on each transaction at the time of the transaction, files sales and use tax returns, and is updated to reflect any authorized rate changes.
9. Certification procedures for persons to be approved as certified software providers.
10. Relief to remote sellers for liability to state or locals for incorrect collection, remittance or non-collection if liability results from an error or omission by a certified software provider.
11. Relief to certified software providers for liability to state or locals for incorrect collection, remittance or non-collection if liability results from misleading or inaccurate information from a remote seller.
12. Relief to remote sellers and certified software providers for liability to state or locals for incorrect collection, remittance or non-collection if liability results from incorrect information or software provided by the state.
13. Notice of all rate changes to remote sellers and certified software providers 90 days prior to rate change by the state or any locality and liability relief if the notice is not provided.