

**TESTIMONY OF THE OFFICE OF STATE TAX COMMISSIONER
BEFORE THE
INTERIM TAXATION COMMITTEE
MAY 29, 2012**

Chairman Hogue, members of the Taxation Committee, I am Myles Vosberg, Director of the Tax Administration Division of the Office of State Tax Commissioner. I have been asked to give a brief update on activities of the Streamlined Sales Tax Governing Board and committees.

- **Registrations:** As of today, there are 272 retailers registered through the streamlined sales tax central registration system. The system allows a retailer located in any state to register to collect sales and use tax in all of the streamlined sales tax member states.
- **Collections:** Since inception of the Streamlined Sales and Use Tax Agreement in October 2005 and through March 31, 2012, retailers registered through the central registration system have collected \$29.8 million dollars of North Dakota and local tax.
 - \$6,616,102 from retailers that have volunteered to collect tax in North Dakota and have no legal responsibility to collect.
 - \$3,940,217 from retailers that legally had a requirement to register and collect
 - \$19,241,454 from retailers that were already registered to collect North Dakota sales and use taxes.
- **Current activities:** The SST Governing Board and its committees continue to work on projects to simplify tax collection by retailers. Current projects include:
 - Credit for taxes paid to another state
 - Discount vouchers
 - Sourcing of services
 - Sourcing of digital goods
 - Remote access to software
- **Legislation:** I anticipate a small amount of legislation in 2013 to maintain compliance with the Streamlined Sales and Use Tax Agreement.
 - Definition of Sales Price
 - Taxes imposed on the seller and passed through to the consumer
 - Origin sourcing
 - North Dakota has adopted entire sections of the agreement
 - Impacts Ohio and Utah
 - Credit for taxes paid to another state