

TruST

TRUE SIMPLIFICATION OF TAXATION

MINIMUM SIMPLIFICATIONS REQUIRED BY TRUST	IN THE MARKETPLACE FAIRNESS ACT OF 2013?
States must provide certified software for rate lookup, collection, electronic filing, and funds transfer. Users of the software would be immune from state and civil liability for errors in taxes collected.	YES, BUT each state can provide its own unique software. So a business not using a certified software provider must integrate each of the 46 states' software tools.
A single sales tax rate per state for remote sales.	NO. Nearly 10,000 local tax jurisdictions get to keep their own tax rates.
States should compensate businesses for reasonable costs of collecting sales taxes, including purchase and implementation of software.	NO. Businesses must meet the new tax burdens without any required compensation.
A single set of definitions for taxable and exempt products for all states.	NO. 46 states can have their own definitions for taxable goods and services and unique definitions for key terms like "sales price."
A single audit on behalf of all states and local jurisdictions conducted by a single state where the seller has physical nexus, or a designated state in cases where a seller lacks physical nexus in any sales tax state.	NO. 46 states can impose separate audits on any remote seller across the country. So, New York's tax collector gets new powers to audit any retailer in all 50 states.
There should be a common sales tax return for remote sellers to file.	NO. 46 states get to keep their own unique tax filing forms and rules for electronic filing and funds transfer.
A single national rule for sourcing sales.	NO. Sourcing of intrastate taxes is up to each state to determine.
Harmonize sales tax holidays and thresholds, or give remote sellers an optional exemption from participation in sales tax holidays and thresholds.	NO. Nearly 10,000 local tax jurisdictions can force remote sellers to honor unique sales tax holidays, including caps and thresholds.
Allow remote sellers to challenge states in federal district court for disputes on sales tax collection, including whether a state is following congressionally required simplifications.	NO. There is no authorization of <i>any</i> judicial review for a taxpayer's claim that a state fails to meet the simplification required.
Preempt and preclude state laws imposing sales tax obligations on businesses with no physical presence in that state.	NO. Section 6 expressly does not preempt states from asserting state tax nexus through other means.
Collection of sales tax under federal legislation does not create nexus for any other business purpose.	YES.
A congressionally-determined exception for small businesses.	YES, BUT many businesses believe the exception is too low.