

HOUSE RESEARCH

Bill Summary

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Subject: Providing for a multiple-points-of-use certificate for sales tax purposes

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Overview

Allows a business purchaser to use a multiple-points-of-use exemption certificate when purchasing electronically delivered goods and services that are concurrently available for use in multiple taxing jurisdictions (i.e. multi-user software licenses). The seller is exempt from collecting the tax, but the purchaser is responsible for paying the tax in the multiple jurisdictions using a consistent and uniform method of apportioning the sale.

The language is identical to language originally contained in the Streamlined Sales and Use Tax Agreement (SSUTA) and in Minnesota statute through 2008. When the language was removed as a required language from SSUTA, the state repealed it as well. However, a few states that are members of SSUTA have retained similar provisions and the staff of the governing board has indicated that a multiple-points-of-use exemption is not a problem under the current agreement.

Effective for sales and purchases made after June 30, 2013.