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Beginning 15 months after the state begins collecting sales tax on marketplace providers and/or other remote sellers, the commissioner of revenue is instructed to reduce the general sales tax and the legacy sale tax rates down by a revenue neutral amount to reflect increased sales collections from these remote sales.

It is assumed that collections will start on the first date of a calendar quarter at least 60 days after the earlier of (1) the U.S. Supreme Court overturns *Quill v. North Dakota* or (2) a federal law is enacted allowing the state to require remote sellers to collect and remit the sales tax. Currently a case is being heard in the U.S. Supreme Court (*Wayfair Inc. v. South Dakota*) that could potentially overturn the *Quill* case.

The adjustment is based on the ratio of the sales and use tax revenue collected in the first 12 months after the duty to collect goes into effect to the sales tax revenue collected in the preceding 12 month period, adjusted for inflation.

Effective the day following final enactment.