

A motion by Ohio to amend Section 322 of the Agreement to require notice 60 days prior to the calendar month in which a sales tax holiday is to take place rather than 60 days prior to the calendar quarter in which the sales tax holiday is to take place.

Section 322: SALES TAX HOLIDAYS

- A. If a member state allows for temporary exemption periods, commonly referred to as sales tax holidays, the member state shall:
1. Not apply an exemption unless the items to be exempted are specifically defined in Part II or Part III(B) of the Library of Definitions and the exemptions are uniformly applied to state and local sales and use taxes.
 2. Provide notice of the exemption period at least sixty days' prior to the first day of the calendar ~~quarter~~ month in which the exemption period will begin.
 3. Not apply an entity or use based exemption to items except a member state may limit a product based exemption to items purchased for personal or non-business use.
 4. Not require a seller to obtain an exemption certificate or other certification from a purchaser for items to be exempted during a sales tax holiday.

(Note to explain reason for amendment: Under the current version of the Agreement, if a state chooses to have a sales tax holiday that begins on July 1, it must provide notice of that sales tax holiday by May 1 (60 days prior to the first day of the calendar quarter in which the sales tax holiday begins). In addition, if a state chooses to have a sales tax holiday starting on August 1 (90 days after the notice is required) or September 1 (120 days after the notice is required), the state must still provide notice of this holiday by May 1 since that is 60 days prior to the first day of the calendar quarter in which the sales tax holiday is going to take place. Due to the legislative sessions and when some of these bills may be voted on, it may not be possible to provide 90 or 120 days notice. Therefore, the amendment is being proposed so that the notice requirement is just 60 days prior to the first day of the calendar month in which the holiday takes place.)