

Minutes: SST Mitigation Advisory Committee Meeting

Meeting Purpose The annual meeting of the SST Mitigation Advisory Committee was held to discuss adjustments to the mitigation calculation as a result of issues brought forth by jurisdictions. The Department of Revenue and the Committee have to annually decide whether any adjustments need to be included in the mitigation calculation.

Date, Time and Place Date: Monday, July 8, 2013
Time: 3:00 p.m.
Place: Teleconference

Participants Chris Bothwell, City of Bellevue
Bob Nachlinger, City of Kent
Neil Kruse, City of Kirkland
Doug Levy, Lobbyist for Cities of Kent, Fife, Issaquah
Shelly Coleman, City of Auburn
Sheila Gall, AWC
Lyman Howard, City of Sammamish
Lorrie Brown, OFM

DOR Staff: Keri Boyer, Debra Conn, Andy Van Gerpen, Don Gutmann, Tim Jennrich, Larry Schmidt, Valerie Torres, Patti Wilson

Topics Discussed The table below identifies the topics discussed in the meeting and the person who led each discussion.

Topic	Discussion Leader
Introductions and Purpose of the Annual Meeting	Don Gutmann
Adjustments to the Mitigation Data and Completion of 2013 Annual Review Process	Valerie Torres
Discuss 2014 Annual Review	Valerie Torres
Market Place Fairness Act	Tim Jennrich
Next Annual Meeting	Don Gutmann

Adjustments to the Mitigation Data Valerie Torres reported for the 2011-2013 Biennium, the Legislature reduced SST mitigation payments by 3.4 percent. The reduction ended with the June 28, 2013, payment. There were no concerns raised.

She also reported that this year, while there were a few jurisdictions that had questions those questions were addressed and there were no jurisdictions which submitted businesses to be reviewed for possible adjustment.

Valerie reported that in August, DOR will send out a message letting all local jurisdictions know there is no change and with that will complete the 2013 annual review process.

**Discuss 2014
Annual Review**

The 2014 review schedule for 2015 payments was reviewed. There were no concerns raised.

In August 2013, the data for review by local jurisdictions will be sent out. Any businesses which jurisdictions feel need adjusted should be sent to the Department by April 30, 2014.

**Market Place
Fairness Act**

Tim Jennrich explained the effects of the Marketplace Fairness Act (MFA) of 2013 should it be enacted. He stated under MFA, remote sellers are not required to register through the Streamlined Sales and Use Tax Agreement (SSUTA). MFA remote sellers can register directly with the Department or through SSUTA's central registration system. For those that register through SSUTA's central registration system, the reported revenues would offset the gain/loss of SST mitigation. However, those that register through the Department's registration process would not unless there was a legislative change. This would also require the Department to modify the Department's registration system to recognize MFA remote sellers' registrations.

Doug Levy was under the assumption mitigation was going to be a ramp down and end. He expressed the need for a reliable estimate at the jurisdiction level of the impacts of the MFA. He asked how we as a committee can work with the Department to make that happen. A separate group will get together to agree on a methodology and how to best make this estimate available. Don Gutmann and Patti Wilson will work with Doug Levy on setting up a meeting for this group.

**Next Annual
Meeting**

Don Gutmann asked for comments on how the committee liked or disliked the teleconference versus traveling to Olympia for the meeting. Participants agreed the teleconference was more productive, especially for a 25-30 minute meeting. However, if MFA occurs before the next annual Mitigation Meeting the committee would like to meet face-to-face.

We are aiming to hold the next annual Mitigation Meeting via teleconference in late June or early July 2014.

Questions

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**Meeting
Minutes**

The meeting minutes are submitted by Keri Boyer.
