

State of South Dakota

EIGHTY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 2009

717Q0779

SENATE CONCURRENT RESOLUTION NO. 8

Introduced by: Senators Gant, Abdallah, Adelstein, Ahlers, Bartling, Bradford, Brown, Dempster, Garnos, Gray, Hanson (Gary), Haverly, Heidepriem, Howie, Hundstad, Hunhoff (Jean), Kloucek, Knudson, Maher, Merchant, Miles, Nelson, Nesselhuf, Novstrup (Al), Olson (Russell), Peterson, Rhoden, Schmidt, Tieszen, Turbak Berry, and Vehle and Representatives Kirkeby, Blake, Brunner, Burg, Carson, Cronin, Cutler, Elliott, Engels, Fargen, Feickert, Frerichs, Gibson, Gosch, Hunhoff (Bernie), Iron Cloud III, Killer, Kirschman, Kopp, Lange, Lederman, Lucas, Moser, Noem, Novstrup (David), Nygaard, Rausch, Rave, Romkema, Schlekeway, Schrempp, Solberg, Sorenson, Steele, Street, Thompson, Vanneman, and Wink

1 A CONCURRENT RESOLUTION, urging the members of the State Streamlined Sales Tax
2 Governing Board to amend its treatment of certain food coupons, certificates, and other
3 documentation as gross receipts.

4 WHEREAS, the term, gross receipts, includes consideration received by the retailer from
5 third parties; and

6 WHEREAS, the retailer's gross receipts include the price reduction or discount provided
7 through a coupon, certificate, or other documentation presented by the purchaser if it is
8 identified as a third party price reduction or discount on the invoice received by the purchaser;
9 and

10 WHEREAS, if the purchaser presents a coupon, certificate, or other documentation to the
11 retailer to claim a price reduction or discount where the coupon, certificate, or documentation



1 is authorized, distributed, or granted by a third party with the understanding that the third party
2 will reimburse the retailer, the reimbursement is considered to be gross receipts; and

3 WHEREAS, the retailer must report the reimbursement received from a third party as gross
4 receipts for taxation purposes; and

5 WHEREAS, the Streamlined Sales Tax Project has provided the states a definition for food
6 and has allowed for states to set a rate of taxation for food that differs from the state's base sales
7 tax rate for other goods and services:

8 NOW, THEREFORE, BE IT RESOLVED, by the Senate of the Eighty-fourth Legislature
9 of the State of South Dakota, the House of Representatives concurring therein, that the
10 Legislature urges the Streamlined Sales Tax Governing Board to allow states to define that the
11 reimbursement by a third party for a coupon, certificate, or other documentation presented by
12 the purchaser for any item defined as food not be considered as gross receipts for the retailer.