

## IDAPA 35 - IDAHO STATE TAX COMMISSION

### 35.01.02 - SALES TAX ADMINISTRATIVE RULES

#### DOCKET NO. 35-0102-1301

#### NOTICE OF INTENT TO PROMULGATE RULES - NEGOTIATED RULEMAKING

**AUTHORITY:** In compliance with Section 67-5220, Idaho Code, notice is hereby given that this agency intends to promulgate rules and desires public comment prior to initiating formal rulemaking procedures. This negotiated rulemaking action is authorized pursuant to Sections 67-5221(1) and 63-105A, Idaho Code.

**METHOD OF PARTICIPATION:** Interested persons wishing to participate in the negotiated rulemaking must respond to this notice by contacting the undersigned either in writing, by e-mail, or by calling the phone number listed below. To participate, responses must be received by January 31, 2013.

Should a reasonable number of persons respond to this notice, negotiated meetings will be scheduled and all scheduled meetings shall be posted and made accessible on the agency website at the address listed below.

Upon conclusion of the negotiated rulemaking, any unresolved issues, all key issues considered, and conclusions reached during the negotiated rulemaking will be addressed in a written summary and made available on the agency website.

Failure of interested persons to respond to this notice of intent or the lack of a sufficient number of responses to this notice of intent may result in the discontinuation of further informal proceedings. In either event the agency shall have sole discretion in determining the feasibility of scheduling and conducting informal negotiated rulemaking and may proceed directly to formal rulemaking if proceeding with negotiated rulemaking is deemed infeasible.

This negotiated rulemaking will be undertaken as part of the regular sales tax rules committee meetings which are always open to the public. Anyone interested in this particular rule may attend the appropriate committee meetings to participate directly in the discussion. You may also join the meeting by phone if you wish; however, notice must be given one week in advance so accommodations can be arranged. An opportunity will also be given to any attendee to make a brief presentation on the subject matter if so desired.

Notification of all scheduled committee meetings will be posted on the Tax Commission's website at <http://tax.idaho.gov> at least one week prior to the date of the meeting. The notification will contain specific information on which rules will be up for discussion at that meeting.

Written comments are also welcome and will be accepted up to one week prior to the scheduled committee meeting in which the rule will be discussed. Any written comment on this rule will be distributed to all attendees at the appropriate committee meetings and made a part of the formal rulemaking record.

**DESCRIPTIVE SUMMARY:** The following is a statement in nontechnical language of the substance and purpose of the intended negotiated rulemaking and the principle issues involved:

Amendment of Sales Tax Rule 027, Computer Equipment, Software, and Data Services, is needed to address new technology that has impacted the nature of software since the statutory definition for the term was last amended in 1993. Notably, this includes the advent and increased use of databases and software that are accessed over the internet and other networks.

**ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS, OBTAINING COPIES:** For assistance on technical questions concerning this negotiated rulemaking or to obtain a copy of the preliminary draft of the text of the proposed rule (if available), contact McLean Russell at (208) 334-7531.

Anyone may submit written comments regarding this negotiated rulemaking. All written comments must be directed to the undersigned and must be delivered on or before January 31, 2013.

DATED this 29th day of November, 2012.

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