



WEST VIRGINIA SECRETARY OF STATE

MAC WARNER

ADMINISTRATIVE LAW DIVISION

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4/24/2023 4:29:13 PM

Office of West Virginia
Secretary Of State

NOTICE OF FINAL FILING AND ADOPTION OF A LEGISLATIVE RULE AUTHORIZED
BY THE WEST VIRGINIA LEGISLATURE

AGENCY: Tax TITLE-SERIES: 110-28
RULE TYPE: Legislative Amendment to Existing Rule: Yes Repeal of existing rule: No
RULE NAME: MUNICIPAL SALES AND USE TAX
ADMINISTRATION

CITE STATUTORY AUTHORITY: W. Va. Code §§11-10-11c and 11-10-5

The above rule has been authorized by the West Virginia Legislature.

Authorization is cited in (house or senate bill number) SB345

Section §64-7-4(e) Passed On 3/10/2023 12:00:00 AM

This rule is filed with the Secretary of State. This rule becomes effective on the following date:

April 24, 2023

This rule shall terminate and have no further force or effect from the following date:

August 01, 2028

BY CHOOSING 'YES', I ATTEST THAT THE PREVIOUS STATEMENT IS TRUE AND CORRECT.

Yes

Anoop Bhasin -- By my signature, I certify that I am the person authorized to file legislative rules, in accordance with West Virginia Code §29A-3-11 and §39A-3-2.

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**TITLE 110
LEGISLATIVE RULE
DEPARTMENT OF TAX AND REVENUE**

**SERIES 28
MUNICIPAL SALES AND USE TAX ADMINISTRATION**

§110-28-1. General.

1.1. Scope. -- This legislative rule explains and clarifies administrative and procedural requirements and characteristics of municipal sales and use taxes imposed under the provisions of W. Va. Code §8-1-5a and W. Va. Code §8-13C-1, *et seq.* This rule also incorporates the changes to administration fees and administration funds set forth in W. Va. Code §11-10-27, as amended by Enrolled CS HB 4461 during the 2022 Regular Legislative Session.

1.1.1. In recognition of:

1.1.1.a. The experience, knowledge, and technical, and legal expertise of the Tax Department;

1.1.1.b. The computer and logistical systems currently operated and maintained by the Tax Department;

1.1.1.c. The auditing and revenue processing resources of the Tax Department; and

1.1.1.d. The obvious cost efficiency and operational efficiencies of placing municipal sales and use tax administration under the exclusive authority of the Tax Department.

1.1.1.e. The Legislature has determined that the preeminent interest of all municipal sales and use tax jurisdictions is best served by empowerment of the Tax Commissioner, by law, to hold, maintain and exercise sole authority to administer the municipal sales and use tax.

1.1.2. Pursuant to Legislative intent that the Tax Department administer the municipal sales and use tax, this rule sets forth procedures and requirements for its administration.

1.1.3. Pursuant to Legislative intent to not burden the General Fund with costs of administration of the municipal sales and use tax, this rule sets forth procedures and requirements for statutorily mandated recovery of Tax Department costs incurred in its administration.

1.2. Authority. -- W. Va. Code §§11-10-11c and 11-10-5.

1.3. Filing Date. -- April 24, 2023.

1.4. Effective Date. -- April 24, 2023.

1.5. Sunset Provision. -- This rule shall terminate and have no further force or effect upon August 1, 2028.

§110-28-2. Definitions.

2.1. "Allocation numerator" means revenues of a specific revenue generating municipality for the period under the provisions, as applicable, of W. Va. Code §8-1-5a (Home Rule Pilot Plan) or W. Va. Code §8-13C-1, *et seq.* (Municipal sales and use tax), net of refunds and net of adjustments for filing errors, payment errors, and similar adjustments for the period, but before offset by the periodic cost recovery fee.

2.2. "Allocable revenues" means total net tax revenues, as defined in section 2.5. of this section heading, after offset by the periodic cost recovery fee. Allocable revenues are periodically distributed to each revenue generating municipality in proportion to the amount that each allocation numerator, as defined in section 2.1. of this section heading, for the period, bears to total net tax revenues for the period.

2.3. "District Excise tax" means collectively the special district excise tax authorized under W.Va. Code §7-22-1, *et seq.*, and W.Va. Code §8-38-1, *et seq.*

2.4. "Municipal consumers sales and service tax and use tax" and "municipal consumers sales tax" and "municipal sales and service tax," "municipal use tax," "municipal sales tax" and "municipal sales and use tax" mean and refer to, collectively, any sales and use tax adopted by a municipality pursuant to the provisions of W.Va. Code §8-1-5a (Home Rule Pilot Plan) or W. Va. Code §8-13C-1, *et seq.* (Municipal sales and use tax).

2.5. "Net tax revenues" means the total pooled amount of all revenues under the provisions, as applicable, of W.Va. Code §8-1-5a (Home Rule Pilot Plan) or W.Va. Code §8-13C-1, *et seq.* (Municipal sales and use tax), of all revenue generating municipalities, for the period, net of refunds and net of adjustments for filing errors, payment errors, and similar adjustments for the period, but before offset by the periodic cost recovery fee.

2.6. "Period," "the period" or "periodic" means and refers to the tax period or accounting period, applicable in the context of the usage of the term, and may refer to a monthly, quarterly, semi-annual or annual time period, or any other time period prescribed by the Tax Commissioner.

2.7. "Periodic cost recovery fee" -- The periodic cost recovery fee is retained by the Tax Department and shall equal one percent (1%) of net tax revenues.

2.8. "Program municipalities" means all municipalities that have achieved full legal authorization to impose and implement municipal sales and use taxes under the provisions of W. Va. Code §8-1-5a (Home Rule Pilot Plan) or §8-13C-1, *et seq.* (Municipal sales and use taxes). A municipality becomes a program municipality only when actual tax collections have begun.

2.9. "Revenue generating municipalities" means those municipalities that have generated tax revenues for the period under the provisions, as applicable, of W. Va. Code §8-1-5a (Home Rule Pilot Plan) or W. Va. Code §8-13C-1, *et seq.* (Municipal sales and use taxes), net of refunds and net of adjustments for filing errors, payment errors, and similar adjustments for the period, but before offset by the periodic cost recovery fee.

§110-28-3. Tax Base.

3.1. Any municipal sales and use tax imposed under the authority granted by W. Va. Code §8-1-5a and W. Va. Code §8-13C-1, *et seq.*, is subject to the following:

3.1.1. The base of a municipal sales and use tax imposed shall be identical to the base of the consumers sales and service tax imposed pursuant to W. Va. Code §11-15-1, *et seq.*, on sales made and services rendered and on the use of tangible personal property, custom software or taxable services within the boundaries of the municipality, subject to the following:

3.1.1.a. Except for the exemption provided in W. Va. Code §11-15-9f, all exemptions and exceptions from consumers sales and service tax apply to a municipal sales and use tax;

3.1.1.b. Sales of gasoline and special fuel are not subject to a municipal sales and use tax;

3.1.1.c. Sales of motor vehicles taxable under W. Va. Code §11-15-3c are not subject to a municipal sales and use tax; and

3.1.1.d. Sales that are exempt, as otherwise provided by law, are not subject to the municipal sales and use tax.

3.1.2. Any municipal sales and use tax imposed applies solely to sales and uses of tangible personal property, custom software and taxable services that are sourced to the municipality. The sourcing rules set forth in W. Va. Code §11-15B-1, *et seq.*, including any amendments thereto, apply to any municipal sales and use tax levied.

3.1.3. Whenever the state sales and use tax base and definitions in the West Virginia Code are amended by the Legislature, the updated base and terms will automatically apply to a municipality's sales and use tax ordinance, as required by W. Va. Code §8-13C-6(h).

3.1.4. Credit for sales taxes paid to another municipality. -- A municipality's ordinance imposing a sales and use tax must allow for a credit against sales and use taxes that have been lawfully paid to another municipality, as required by W. Va. Code §8-13C-5a: Provided, That the credit allowed may not exceed the sales and use taxes otherwise due to the municipality allowing the credit.

§110-28-4. Administration and Collection of Tax.

4.1. A municipality that imposes a municipal sales and use tax may not administer or collect the tax but shall use the services of the Tax Commissioner to administer, enforce and collect the municipal tax imposed in the same manner as the state consumers sales and service tax and use tax. All legislative, interpretive and procedural rules promulgated by the Tax Commissioner to administer and enforce the provisions of articles fifteen, fifteen-a and fifteen-b, chapter eleven of the West Virginia Code and the provisions of W. Va. CSR §110-15-1, *et seq.*, apply to the implementation, administration, collection and enforcement of any municipal sales and use tax imposed and all provisions of those enactments shall be read *in extenso* herein.

4.2. Any municipal sales and use tax shall be imposed in addition to the consumers sales and service

tax and use tax imposed pursuant to articles fifteen and fifteen-a, chapter eleven of the West Virginia Code on sales made and services rendered and on the use of tangible personal property, custom software or taxable services within the boundaries of the municipality and, except as exempted or excepted, all sales made and services rendered and on the use of tangible personal property, custom software or taxable services within the boundaries of the municipality shall remain subject to the tax levied by those articles.

4.3. A municipal sales and use tax is imposed in addition to any tax lawfully imposed, including but not limited to those imposed pursuant to W. Va. Code §7-18-1 (hotel occupancy taxes), W. Va. Code §7-22-12 (county economic opportunity district tax), W. Va. Code §8-13-5a (public utility tax), W. Va. Code §8-13-6 (amusement tax), W. Va. Code §8-13-7 (tax on purchases of intoxicating liquor) and W. Va. Code §8-38-12 (municipal economic opportunity district tax).

4.4. Collection by Vendor. -- Each vendor shall collect from the purchaser municipal sales and use tax imposed upon each sale of tangible personal property and taxable service made or furnished in the municipality at the same time and in the same manner as each vendor collects from the purchaser the state consumers sales and service tax and use tax. Municipal sales and use tax shall be added to and constitute a part of the sales price.

4.5. Collection by Retailer. -- Every retailer engaging in business in this state and making sales of tangible personal property or taxable services for delivery into a municipality that has imposed a municipal sales and use tax or with knowledge, directly or indirectly, that the property or services are intended for use in such municipality, shall, at the time of making such sales, whether within or without the state, collect the municipal use tax from the purchaser at the same time and in the same manner that the retailer collects the state use tax from the purchaser. The tax shall be added to and constitute a part of the sales price and the retailer must give to the purchaser a sales receipt with the tax separately stated on the receipt.

4.6. Exceptions to Collection Requirements. -- Notwithstanding sections 4.4 and 4.5 of this section heading, a municipal sales and use tax need not be collected by the vendor or retailer with respect to a transaction if the state consumers sales and service and use tax need not be collected under the provisions of the state consumers sales and service and use tax laws, as if the provisions of those laws were set forth herein *in extenso*.

4.7. Payment of Use Tax. -- When the purchaser of tangible personal property, custom software or a taxable service is required to pay state use tax measured by the purchase price and the use is in a municipality that imposes a municipal sales and use tax, municipal use tax must be paid on the purchase price to the Tax Commissioner at the same time that the state use tax is paid.

4.7.1. Exception. -- Situations will exist where a vendor located in West Virginia collects state sales tax at the time the sale is made but does not collect municipal sales tax because the sale took place at the vendor's store, which is not located in a municipality, or is not located in a municipality that imposes a sales tax. When the purchaser then uses or consumes the products in a municipality that does impose a sales and use tax, the user owes municipal sales and use tax based on the purchase price of the products used or consumed within the municipality.

Example 1. -- A contractor purchases building materials for \$500 from a seller located outside a

municipality. The contractor pays state sales tax at the time of purchase. The contractor then uses the building materials in a construction project located within a municipality that imposes a municipal sales and use tax. The contractor must remit the municipal sales and use tax to the Tax Commissioner based on the \$500 purchase price and the tax rate imposed by the municipality where the materials are used.

Example 2. -- A business located in a municipality that imposes a municipal sales and use tax buys office supplies for \$500 from a business located outside the municipality. The business pays state sales tax at the time of purchase. The business then uses the office supplies at its place of business in a municipality that imposes a sales and use tax. The business must remit municipal sales and use tax to the Tax Commissioner based on the \$500 purchase price and the tax rate imposed by the municipality where the materials are used.

4.8. The Tax Commissioner may prescribe any processes, procedures, forms, schedules and other administrative requirements as determined to be useful or convenient for the efficient administration of the municipal consumers sales and service tax and use taxes addressed under this rule.

4.9. The Tax Commissioner may require the following documents and information to administer the municipal sales and use tax:

4.9.1. Certified copies of the ordinance imposing the taxes, or changing the rate in a tax, along with a certified description of the boundaries of the municipality,

4.9.2. The nine-digit zip codes for addresses located within the boundaries of the municipality,

4.9.3. The certified designation of a municipal official to whom all notices and communications are to be sent and from whom all notices and communications are to be sent, and

4.9.4. Certified documentation of other information the Tax Commissioner may need to administer, collect and enforce the taxes administered under this rule.

4.10. The Tax Commissioner may, within his or her discretion, solicit comments or recommendations regarding projections, determinations and data for a period of approximately 30 days, and in response to the comments or recommendations, may reissue the notice, as amended, on or about the July 1 next succeeding the initial publication date.

4.11 The periodic cost recovery fee is an amount equal to one percent (1%) that is retained from municipal consumers sales and service tax and use tax proceeds by the Tax Department in exchange for administration services.

§110-28-5. Remittance of Tax.

5.1. No profit shall accrue to any person as a result of the collection of the municipal sales and use taxes regardless of the fact that the total amount of taxes collected may be in excess of the amount for which a person would be liable by the application of the levy set forth in the municipal ordinance imposing the tax, not to exceed one percent, to the gross proceeds of that person's sales. The total of all municipal sales and use taxes collected by any person shall be returned and remitted to the Tax Commissioner.

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5.2. Any person who is required to collect and remit the state consumers sales and service tax or the use tax and who was also required to pay the taxes on purchases of tangible personal property or services for use or consumption in that person's business may use one of the following procedures when paying the municipal sales and use tax collected to the Tax Commissioner. The person:

5.2.1. May separately remit the amount collected and pay the amount due and owing on purchases made using the direct pay permit procedure.

5.2.2. May credit the amount of tax paid on purchases for which an exemption is claimed against the amount of tax collected and

5.2.2.a. If the amount collected is greater than the amount of tax paid on exempt purchases, the person shall remit the difference to the Tax Commissioner; or

5.2.2.b. If the amount of tax paid on exempt purchases is greater than the amount collected, the person may seek a refund or credit for the difference as provided by law.

5.2.3. Shall use the same means to collect and remit municipal sales and use tax as the person uses to collect and remit the state consumers sales and service tax and use tax.

5.3. Municipal Sales and Use Tax Return and Payment. -- Any municipal sales and use tax that a person is required to remit to the State Tax Commissioner shall be reported in the same return that the person is required to file under the state consumers sales and service tax and use tax law and the municipal sales and use tax due shall be remitted when the state tax is remitted.

5.4. When no state tax liability. -- Any person subject to the municipal sales and use tax that has no liability for the state consumers sales and service and use tax for the reporting period, shall still remit the municipal sales and use tax in a manner consistent with this rule.

§110-28-6. Appeals, Standards and Jurisdiction.

6.1. The Office of Tax Appeals has exclusive and original jurisdiction to hear appeals arising from issues set forth in section 6.3 of this rule for which the Tax Commissioner has administration, enforcement and collection responsibility under W. Va. Code §8-1-5a, *et seq.*, W. Va. Code §8-13C-1, *et seq.*, W. Va. Code §11-10-11c and W. Va. Code §11-10-27.

6.1.1. The Office of Tax Appeals may not hear challenges, disputes or other issues relating to the periodic cost recovery fee or any aspect of the Tax Commissioner's fee imposition authorized by statute and addressed in this rule.

6.1.2. The Office of Tax Appeals may not hear challenges, disputes or other issues relating to the amount of money distributed to any municipality pursuant to W. Va. Code §8-1-5a and W. Va. Code §8-13C-1, *et seq.*, or the provisions of this rule or to the methodology of calculating, determining or allocating any such money.

6.1.3. The Office of Tax Appeals may not hear challenges, disputes or other issues relating to the methodology for calculating or determining the periodic cost recovery fee, or the amount of the periodic

cost recovery fee, or application of the periodic cost recovery fee as an offset against net tax revenues.

6.2. A municipality or county has no standing before the Office of Tax Appeals in any dispute arising under any municipal sales and use tax or any district excise tax.

6.3. Any review of a municipal sales and use tax or district excise tax by the Office of Tax Appeals is limited to the following:

6.3.1. Appeals from tax assessments issued by the Tax Commissioner pursuant to W.Va. Code §11-10-1, *et seq.*, and this rule;

6.3.2. Appeals from decisions or orders of the Tax Commissioner denying refunds or credits for a municipal sales and use tax or district excise tax.

6.4. A municipality or county may not engage in or participate in any audit performed by the Tax Commissioner for compliance with a municipal sales and use tax or a district excise tax: Provided, That when the municipality imposes a business and occupation tax and employs auditors that audit books and records of businesses for compliance with its business and occupation tax, the Tax Commissioner and the mayor or city manager of that municipality may enter into a memorandum of understanding that allows the municipality to either review the books and records of the business for state and municipal sales and use tax compliance when auditing the books and records for business and occupation tax compliance, or audit the books and records for state and municipal sales and use tax compliance when it audits the books and records of the business for compliance with the business and occupation tax. The businesses reviewed or audited for state and municipal sales and use tax compliance by municipal auditors are limited to those businesses that primarily do business in the municipality and do not have an office or other place of business located outside the municipality. The results of a review or audit must be provided to the Tax Commissioner, who in his or her sole discretion decides whether the Tax Commissioner should take any follow-up action, including, but not limited to, having the State Tax Department make an audit of the books and records of the business, or issuing a deficiency assessment.

6.5. A municipality or county may not hold the Tax Commissioner responsible for any unpaid or unrealized municipal sales and use tax or district excise tax.

§110-28-7. Quarterly distribution of collections; Periodic cost recovery fee; Fund administration.

7.1. The Tax Commissioner shall distribute allocable revenues collected during each calendar quarter to each revenue generating municipality no later than the 15th business day of the month following the close of the quarter in which the tax was remitted to the Tax Department. Timely distribution has occurred when the Tax Department issues the request for transfer to the State Treasurer. The Tax Commissioner has fulfilled the responsibility for distribution of allocable revenues upon issuance of the request for transfer to the State Treasurer.

7.1.1. Each municipality shall record and account for distributions of the taxes administered under this rule on the books and records of the municipality as a single discrete payment. No expenditure, cost or offset shall be recorded or accounted for by the municipality for refunds, the periodic cost recovery fee, adjustments for filing errors, adjustments for payment errors, and similar adjustments. The municipality effectuates the municipal sales and use tax only pursuant to statutory authorization. Under

that statute, the Tax Commissioner is designated as the sole administrator of the taxes collected and distributed under this rule. Therefore, all costs, charges, refunds, offsets, adjustments and fees are considered to be administered at the Tax Department level of the process.

7.2. A fee, to be retained by the Tax Commissioner, is authorized by statute for collecting, enforcing and administering the municipal sales and use tax. That fee is equal to the periodic cost recovery fee calculated under the provisions of this rule and W. Va. Code §§11-10-11c and 11-10-27. Recoverable cost accrual commences on July 1, 2013. The fee shall be retained by the Tax Commissioner from proceeds of municipal sales and use tax collected for program municipalities. The Tax Commissioner shall deposit all the proceeds from municipal sales and use taxes collected for program municipalities, minus any fee authorized by W. Va. Code §§11-10-11c and 11-10-27 for collecting, enforcing and administering taxes, in the appropriate subaccount for the municipality. However, the periodic cost recovery fee discussed in this rule does not apply to the collection by the Tax Commissioner of the District Excise Tax provided for in W.Va. Code §7-22-1, *et seq.*, and W.Va. Code §8-38-1, *et seq.*, because the fee for collection of the District Excise tax is provided for in W. Va. Code §11-10-11b rather than in W.Va. Code §11-10-11c.

7.3. On and prior to June 30, 2022, the Treasurer shall deposit the following items in the "Local Sales Tax and Excise Tax Administration Fund" created by W. Va. Code §11-10-11c:

7.3.1. The periodic cost recovery fee, calculated pursuant to this rule;

7.3.2. Any amounts received on and after July 1, 2013, from fees retained by the Tax Commissioner pursuant to the authorization provided in W.Va. Code §8-13C-6;

7.3.3. Amounts deducted and retained by the Tax Commissioner under W.Va. Code §11-10-11b;

7.3.4. Any future amounts appropriated by the Legislature or transferred by any public agency as contemplated or permitted by applicable federal or state law;

7.3.5. All moneys in the Tax Department "Municipal Sales and Use Tax Operations Fund" established under W.Va. Code §8-13C-6 that were transferred to the "Local Sales Tax and Excise Tax Administration Fund" on July 1, 2013 as provided in W.Va. Code §11-10-11c;

7.3.6. All moneys in the "Special District Excise Tax Administration Fund" established under W.Va. Code §11-10-11b that were transferred to the "Local Sales Tax and Excise Tax Administration Fund" on July 1, 2013 as provided in W.Va. Code §11-10-11c; and

7.3.7. Any accrued interest or other return on the moneys in the fund.

7.4. On and after July 1, 2022, the Treasurer shall deposit any moneys that would have been deposited into the Local Sales Tax and Excise Tax Administration fund under section 7.3 of this Rule into the "Tax Administration Services Fund," which shall be a revolving fund for the use of the Tax Division of the Department of Revenue for general tax administration in accordance with the provisions of W. Va. Code §11-10-27. Moneys remaining in such fund on the last day of the fiscal year shall carry over and remain in the fund in the next succeeding fiscal year for use by the Tax Division of the Department of Revenue.

§110-28-8. Notification; Effective Date of tax

8.1. A municipality that imposes a municipal sales and use tax, and any municipality that changes the rate of the tax shall notify the Tax Commissioner at least 180 days before the date the municipal sales and use tax takes effect or the change in the rate of tax takes effect. However, the effective date for payment and collection of the tax shall begin either on the July 1 next succeeding the 180 days' notice to the Tax Commissioner of the imposition of the taxes or the change in the rate of the taxes, or on the January 1 next succeeding the 180 days' notice to the Tax Commissioner of the imposition of the taxes or the change in the rate of the taxes.

8.1.1. For example, if the information required by section 8.2. of this section heading is provided to the Tax Commissioner at the end of December of 2023, the sales and use tax adopted by the municipality will be collected by the Tax Commissioner beginning July 1, 2024.

8.1.2. For example, if the information required by section 8.2 of this section heading is provided to the Tax Commissioner at the end of May of 2023, the sales and use tax adopted by the municipality will be collected by the Tax Commissioner beginning January 1, 2024.

8.2. The notification shall include:

8.2.1. A certified copy of the ordinance imposing the taxes, or changing the rate in a tax;

8.2.2. A description of the boundaries of the municipality;

8.2.3. A database in an Excel spreadsheet showing the nine-digit zip codes for addresses located within the boundaries of the City or Municipality and the tax rate applicable to each 9-digit zip code; and

8.2.4. Any other information the Tax Commissioner may need to administer, collect and enforce the taxes administered under this rule.

8.2.5. Failure to comply with the requirements of this section will result in a delay in the collection of the municipal sales and use tax until after there is compliance with this 180-day rule.

8.3. Rates and boundaries database. -- The rates and boundaries database required by section 8.2 of this section heading shall be prepared by the municipality in accordance with guidance provided by the Streamlined Sales Tax Governing Board, Inc., for preparation of a rates and boundary database.

8.4. Changes in municipal boundaries. -- Any municipality that imposes a municipal sales and use tax that changes or alters its boundaries, shall provide a certified copy of the ordinance adding to, or detaching from, the territory of the municipality to the Tax Commissioner. The notice must include the effective date of the change. The notice to the Tax Commissioner must include:

8.4.1. A map of the city or municipality clearly showing the territory added or detached;

8.4.2. A list showing the names and physical addresses of businesses located in the annexed or detached area; and

8.4.3. The information specified in section 8.2. of this section heading.

8.5. When a city or municipality is currently imposing a municipal sales and use tax that is being collected by the Tax Commissioner, the municipal sales and use tax will not apply to catalogue, Internet or telemarketing sales to persons residing in the annexed area until the January 1st or the July 1st date following the 180 days' notice to the Tax Commissioner of the change in the municipal boundary.

8.5.1. Businesses doing business in the annexed area must begin collecting municipal sales and use taxes on transactions sourced to the annexed area as of the day the annexation takes effect.

8.5.2. Businesses doing business in the detached area of the municipality must stop collecting municipal sales and use taxes on transactions sourced to the detached area as of the day the detachment takes effect.

Note: Under W. Va. Const. Art. X, §9, municipal taxes must be uniform. It would be unconstitutional to allow businesses in territory newly annexed to a municipality that imposes a municipal sales and use tax to avoid having to collect the tax until the July 1st or January 1st after the 180-days' notice required by section 8.1 of this section heading has been given.

8.5.3. If a municipality that imposes a sales and use tax later de-annexes some of its territory, businesses in the de-annexed area have no authority after the de-annexation takes effect to collect that municipality's sales and use tax.

8.6. Designated agent. -- When providing the notification required by this section heading, the municipality and county must provide the Tax Commissioner with the following information:

8.6.1. Name,

8.6.2. Mailing address,

8.6.3. Telephone number and

8.6.4. Email address of a designated agent to send and receive all information relating to the administration, enforcement, collection and distribution of the municipality's municipal sales and use tax or county's or municipality's district excise tax.

8.7. The municipality or county shall promptly inform the Tax Commissioner of any change in the name of the designated agent or the agent's contact information that is required in section 8.6 of this section heading.