Mississippi Department of Information Technology Services
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LOC Questions and Clarifications Memorandum

To: Solicited Vendors for Letter of Configuration (LOC) Number 40036, dated February 21, 2013 for the Mississippi Department of Information Technology Services (ITS)

From: Craig P. Orgeron, Ph.D.

Date: March 12, 2013

Subject: Responses to Questions Submitted and Clarifications to Specifications

Contact Name: Teresa Washington

Contact Phone Number: 601-432-8049

Contact E-mail Address: teresa.washington@its.ms.gov

LOC Number 40036 is hereby amended as follows:

Item 5 MAINTENANCE/SUPPORT REQUIREMENTS has been amended to add the following new item 5.12:

5.12 Vendor must possess a Mississippi Certificate of Responsibility, and must provide proof of such certification.

The following questions were submitted to ITS and are being presented as they were submitted, except to remove any reference to a specific vendor. This information should assist you in formulating your response.

Question: I am writing to inquire as to whether respondents to the abovementioned LOC will be subject to the following:

Miss. Code Ann. § 27-65-21 (2012), MISSISSIPPI CODE of 1972, TITLE 27 TAXATION AND FINANCE CHAPTER 65. SALES TAX IN GENERAL

My firm is a contractually bound representative of APC for the State of Mississippi and West Tennessee, vs. an "at will" representative, and as part of our contract we are tasked by APC to pursue to resale of factory service contracts on their manufactured equipment installed within the geographic boundaries

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stipulated by our contract. We also perform same said function for other manufacturers under our representation. In pursuit of those service contracts we have had cause to approach the Mississippi Department of Revenue for review, and determination of inclusion, for service contracts on Uninterruptible Power Systems (UPS'), air-conditioning equipment, and other such equipment as is typically found in a commercial building. They have consistently responded in the affirmative that all such equipment is included. In response, we have acquired our Prime Contractors license, Certificate of Responsibility, apply for, file and pay all taxes as stipulated, and continually review and ensure our compliance.

Based upon past experience and interaction with MDR, this LOC would be viewed by my firm as falling under the above statue. My question to you is, has this LOC been reviewed by MDR for inclusion or exclusion under the above statute? Inclusion places an additional taxation burden upon those respondents who proactively abide by the laws of the State of Mississippi, and to ensure a fair and equitable bid it would be instructional to know that all respondents will be held to the same standard.

Response: **No, this LOC has not been reviewed by MDOR (Mississippi Department of Revenue) to determine if it should be included or excluded from the statute listed above. It is the Vendor's responsibility to discuss with MDOR whether the Vendor is required to pay any sales tax.**

LOC responses are due March 21, 2013, at 3:00 p.m. (Central Time).

If you have any questions concerning the information above or if we can be of further assistance, please contact Teresa Washington at 601-432-8049 or via email at teresa.washington@its.ms.gov.

cc: ITS Project File Number 40036