



Multistate Tax Commission Audit Committee Meeting November 5, 2019

1. Productivity

The Audit Program completed parts of five (5) corporate income tax audits during the first quarter of fiscal year 2020. The Audit Program also completed and closed five (5) sales tax audits and parts of seven (7) other sales tax audits during the first quarter. Currently, there are nineteen (19) income and thirty-five (35) sales tax audits in progress.

The MTC Audit Program proposed assessments of \$3,359,790 for the completed corporate income tax audits and \$1,397,426 for the completed sales tax audits for fiscal year 2019.

2. Staffing

There have been no staffing changes for the Audit Program during the first quarter of fiscal year 2020.

At our meeting in Boise, Idaho, I announced that we were seeking to hire a new income tax auditor. Due to scheduling conflicts, we have not completed the hiring process but expect to welcome a new staff member in the next few months.

3. Audit Committee

The Audit Committee last met on August 5, 2019 in Boise, Idaho. This was the first meeting for the Audit Committee in fiscal year 2020.

During our meeting in Boise, the committee discussed the progress of current audits. The time had come to add new companies to our Sales Tax Audit Inventory. The committee reviewed the companies recommended for a sales tax audit, along with the voting results by the member states of those companies. The audit committee voted to add ten of those companies to audit inventory. Bruce Fort and Chris Barber, MTC staff attorneys, provided an update on recent state and local tax cases and we ended with a round table discussion.



4. Training

The Joint Audit Program staff provided instruction at three trainings during the first quarter of the 2020 fiscal year.

- Focused Corporate Income Tax Class
September 27-28, 2019 in Columbia, SC
Larry and I were instructors for this class.
- Corporate Income Tax Class
September 24-27, 2019 in Itasca, Illinois
Cathy, Jeff and I were instructors for this class.
- Statistical Sampling Class for Sales and Use Tax Audits
October 8-11, 2019, in Portland, Maine
Bob and Jantha were instructors for this class.
- For information regarding upcoming MTC training, contact Sherry Tiggett at STiggett@MTC.gov or (202) 650-0296 or visit our website at <http://www.mtc.gov/Events-Training>.