

**MINUTES OF MEETING OF NEXUS COMMITTEE
ON DECEMBER 9, 2015
(Not Confidential)**

Attendance

NAME	AFFILIATION
Christy Vandevender	AL
Math [sic]	AL
Raven Reynolds	AL
Deanna Munds-Smith	AR
Jennifer McLaughlin	Bloomberg BNA
Erika Hoxeng	CO
Joe Huddleston	EY
Anita DeGumbia	GA
Chester Cook	GA
Christy Vandevender	GA
Steven Alvarez	GA
Jason Neal	IA
Dufy Neal	IA
Randy Tilley	ID
Richard Jackson	ID
Steve Wynn	ID
Richard Cram	KS
Don Richardson	KY
Marcia Ann Oakman	KY
Gene Walborn	MT
Kory Hofland	MT
Lee Baerlocher	MT
Bruce Fort	MTC
Cathy G	MTC
Daniel Keating	MTC
Greg Matson	MTC
Harold Jennings	MTC
MTC: Diane Simon-Queen	MTC
Christi Daniken	OR
Anita Connor	PA
Andrew Glancy	WV

Sign-ins that are difficult to read are reproduced here per best efforts.

Chairman Collins brought the meeting to order, requested that attendees introduce themselves, and invited public comment. No member of the public commented.

Consideration of final report from Strategic-Planning Project-Team regarding improvements to multistate voluntary disclosure service

Mr. Vosberg presented the proposed final report of the Strategic-Planning Project-Team to Improve Multistate Voluntary Disclosure. He briefly explained the problem (how to improve speed and efficiency of multistate voluntary disclosure), the risks of action and no action, the process the team used, and the team's findings.

Reconsideration of policy regarding processing disclosures with estimated revenue less than \$500

The committee discussed whether to change its policy implemented in July 2014 that the NNP not process disclosures when the total for all lookback years is estimated to be less than five hundred dollars. Members pointed out that a major purpose of voluntary disclosure is to get non-filers to begin filing and that collection of back tax and interest might be a secondary goal. Members also considered the original reason for the policy – processing small disclosures is a burden on NNP staff, some states will not consider them, and non-filers with small liabilities might more efficiently begin filing and pay back tax and interest on their first returns. *The committee unanimously approved a motion to keep the policy as it is, and to examine at a future date whether a policy to accept disclosures of all amounts would decrease the efficiency of multistate voluntary disclosure.*

Compliance Information Exchange

The committee continued its discussion from the July 2015 meeting regarding how the NNP might be used to facilitate sharing of compliance information. Randy Tilley (ID), John Ryser (WA), and Christi Daniken (OR) are working to develop a description and details for proposal to the Strategic-Planning Steering-Committee.

The committee asked volunteers Christi Daniken (OR), John Ryser, and Randy Tilley to further define and develop details about this project for the Nexus Committee to consider, although it gave no deadline. Chairman Collins said that he would discuss this idea with Mr. Cram after he begins his work as director of the NNP.

Legislative and Regulatory Updates Through the Commission

The committee recommended that Nexus staff survey member states annually about nexus updates – important court decisions, legislative changes, regulatory/policy changes, and administrative decisions such as bulletins, letter rulings, and the like.

Discussion of Possible Project to Amend Application for Multistate Voluntary Disclosure

Committee members considered the following ideas.

- Speak with policy makers of member states to encourage acceptance of a uniform agreement (no footnotes, no separate state agreements, etc.)
- With permission from the state's Nexus Committee representative, speak with the front-line state staff to the contents of the standard agreement with footnotes, and their state's agreement if they decline to use the NNP's.

It was suggested that this work might become a project (a formal process limited to a small group) because the last update of the contract language was time-consuming for the full committee.

The committee requested that members, including those not present, submit comments about the Procedures of Multistate Voluntary Disclosure, the standard application, and the standard agreement to NNP staff for discussion at its March meeting. [Comments received are appended to the documents in the Appendices]

Mr. Vosberg explained the process. The team collected information from interviews of taxpayer representatives, surveys widely emailed to states and discussions at Nexus Committee meetings, a few in-depth interviews of state voluntary-disclosure personnel, and a study by NNP staff of the steps in the voluntary disclosure process and how long each takes.

Mr. Vosberg and Mr. Christensen reviewed the team's recommended projects and actions for the committee.

- ❑ Project: Review document submission processes and identify ways to further automate and avoid the Postal Service.
- ❑ Project: Review MTC Multistate Voluntary Disclosure materials on the web site for clarity and ease of use
- ❑ Project: Eliminate state-specific voluntary disclosure requirements from the otherwise uniform process
- ❑ Action Item: Solicit information from the states on changes in laws, rules, policies, procedures, and amnesties
- ❑ Action Item: NNP staff host an annual training for state personnel who work with voluntary disclosure to review MTC procedures and policies
- ❑ Action Item: NNP staff should reach out to state, local and regional practitioner groups to seek greater awareness of the Multistate Voluntary Disclosure Program
- ❑ Action Item: The MTC Nexus Committee should have a regular discussion about the performance of the Multistate Voluntary Disclosure service

The committee approved the team's final report. Ms. Harchenko said that the Steering Committee will review it the following day but will need additional detail before approving a project. The committee turned its discussion to choosing the top three projects in ordinal order for the Steering Committee to consider at a later meeting. *The committee asked Christy Vandevender (AL), Stephen Alvarez (GA), and Michael Christensen (UT) to consider the committee's discussion of what priority to give each project and to make a recommendation with supporting reasons.* The committee leaned toward ordering the projects: Project 3 first, then 1, then 2. (See report in Appendix). The committee anticipated that it would approve the details and make a final decision on the order of importance of the three recommended projects at either its March or July meeting in calendar year 2016.

New Business

Chairman Collins told the committee that staff had spoken with Lee Evans of New Jersey about his role as vice chair in consideration of his absence from meetings over the last several years and learned that Mr. Evans assumed that the committee replaced him when he stopped participating. *Mr. Evans clarified to Mr. Shimkin that he resigned the position.* The committee accepted Mr. Evans' resignation. *Chairman Collins asked committee members to be ready at the March meeting to discuss appointment of his successor.*

Chairman Collins reminded those attending by telephone to send an email to nexus@mtc.gov if they wish to record their presence in the minutes.

Closed Session

The committee entered closed session to discuss matters protected from disclosure.

Open Session

The committee returned to open session. There were no members of the public present to whom the committee could make a report about the closed session.
