

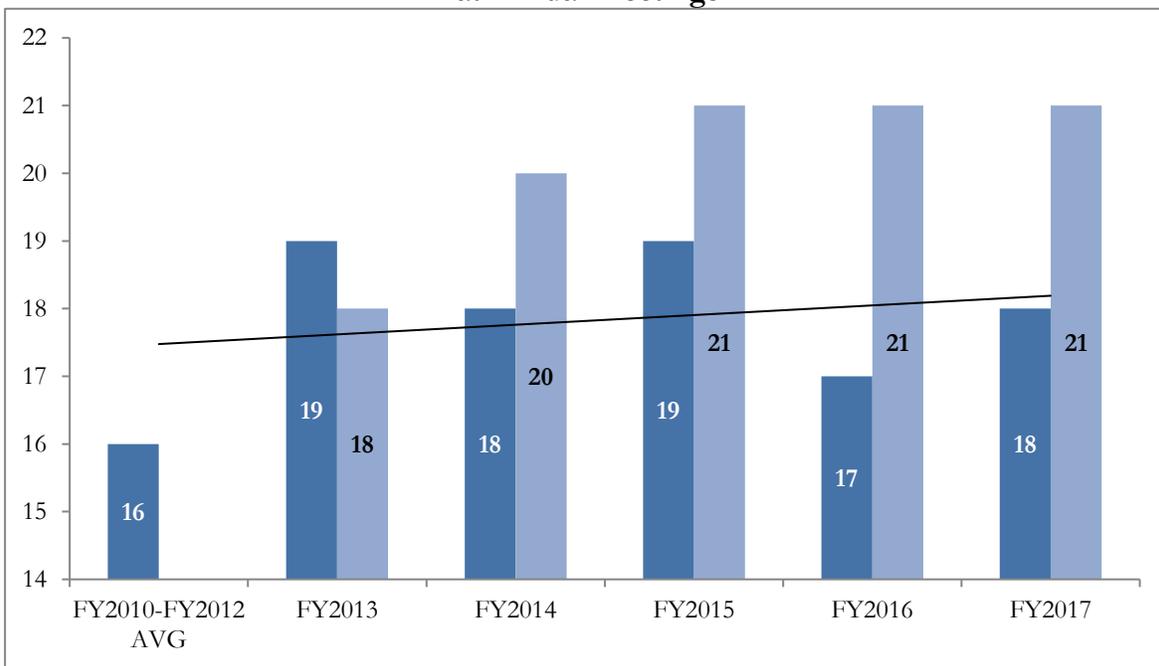


To: Strategic Planning Steering Committee
 From: Gregory S. Matson
 Date: July 30, 2017
 Subject: Performance Measures & Data for Engagement Goal Project

OUTCOME MEASURES

OUTCOME 1. MORE COMPACT AND SOVEREIGNTY STATE PARTICIPATION IN COMMISSION ACTIVITIES.¹

1A. In-person Attendance by Compact & Sovereignty States at Annual Meetings

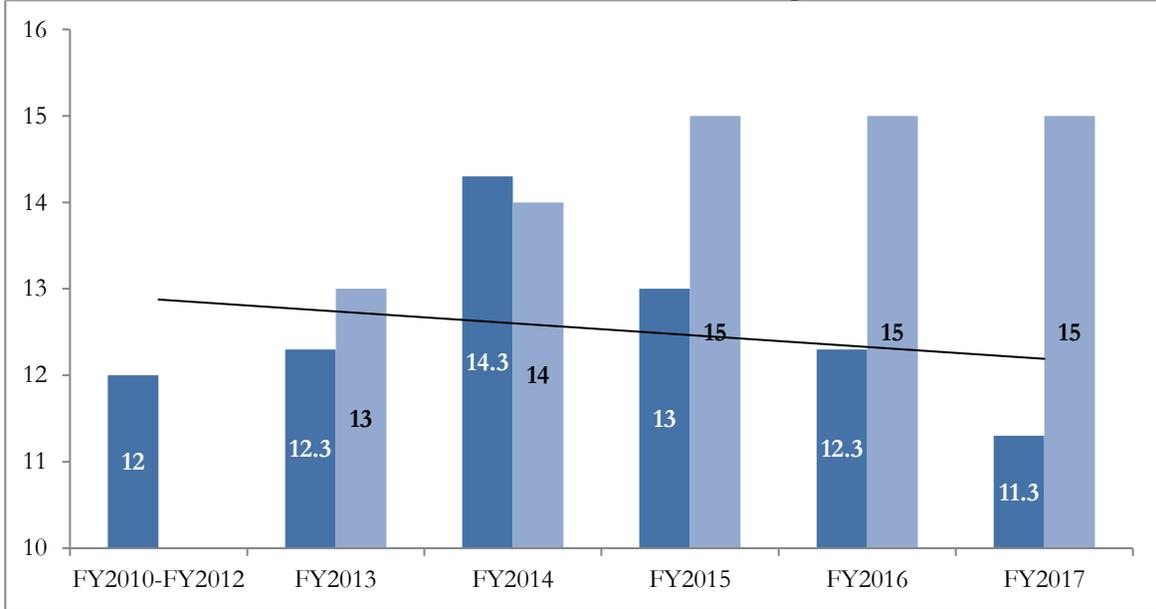


1A Target (lighter shade bar): Increase in-person attendance by compact and sovereignty member states at the Annual Meeting by 10% each year, to reach 90% of the compact and sovereignty member states represented in person at the 2016 Annual Meeting (currently 21).²

¹ In determining Outcome 1 numbers, for 1A and 1B, attendance lists in published minutes served as the primary source record, and where minutes were not available, registration lists from online registration processes were used. For 1C and 1D, registration lists were used exclusively.

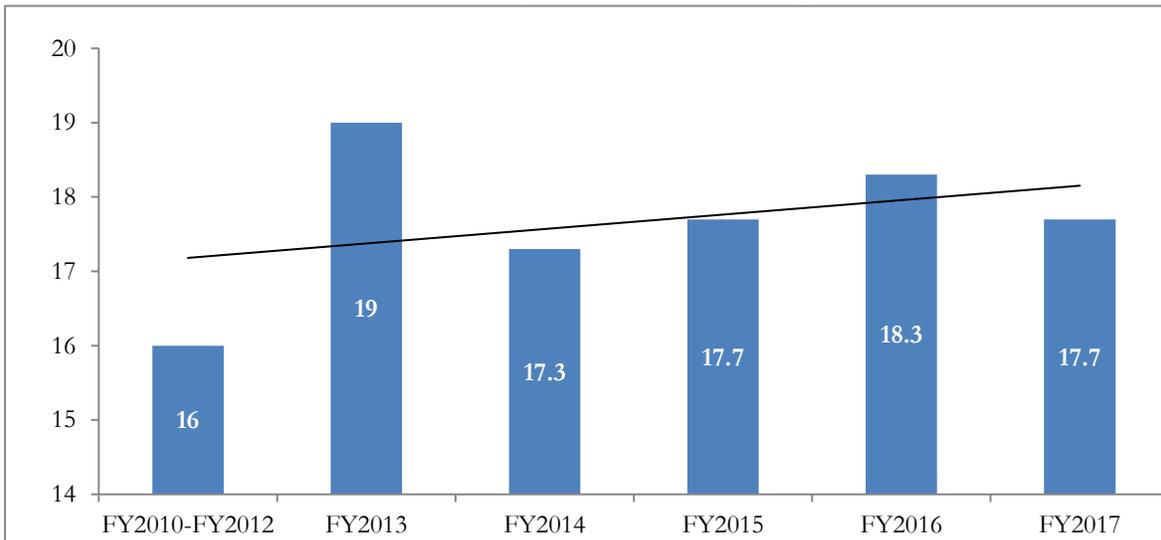
² This target is based on the current number of compact and sovereignty states and can change.

1B. Average In-person Attendance by Compact & Sovereignty States at Executive Committee Meetings



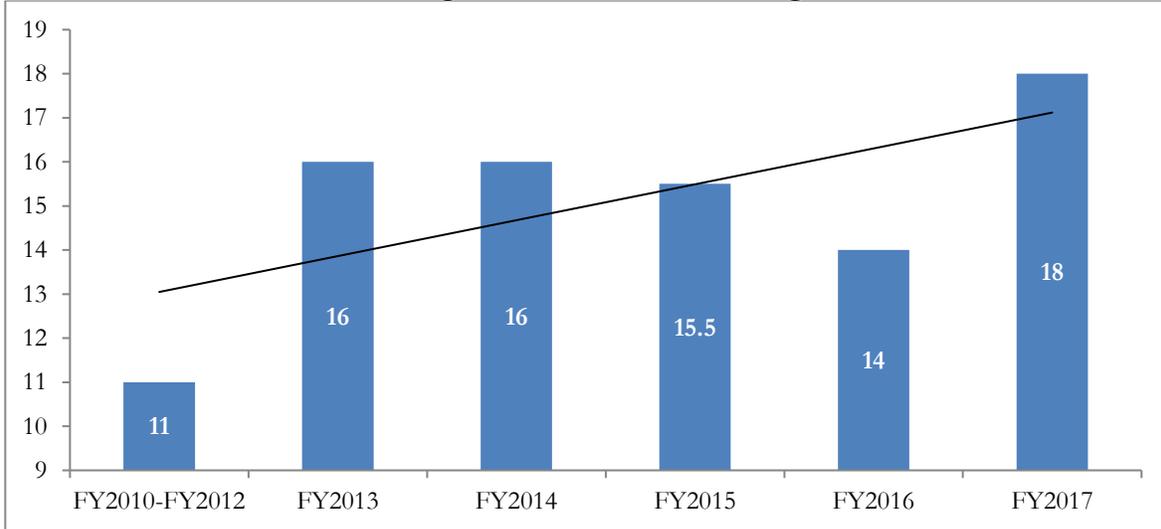
1B Target (lighter shade bar): Increase average in-person attendance by compact and sovereignty member states at Executive Committee meetings by 1 state each year over the next 3 years to 15 states on average.

1C-1³ Average In-person Attendance by All States in Uniformity Committee Meetings



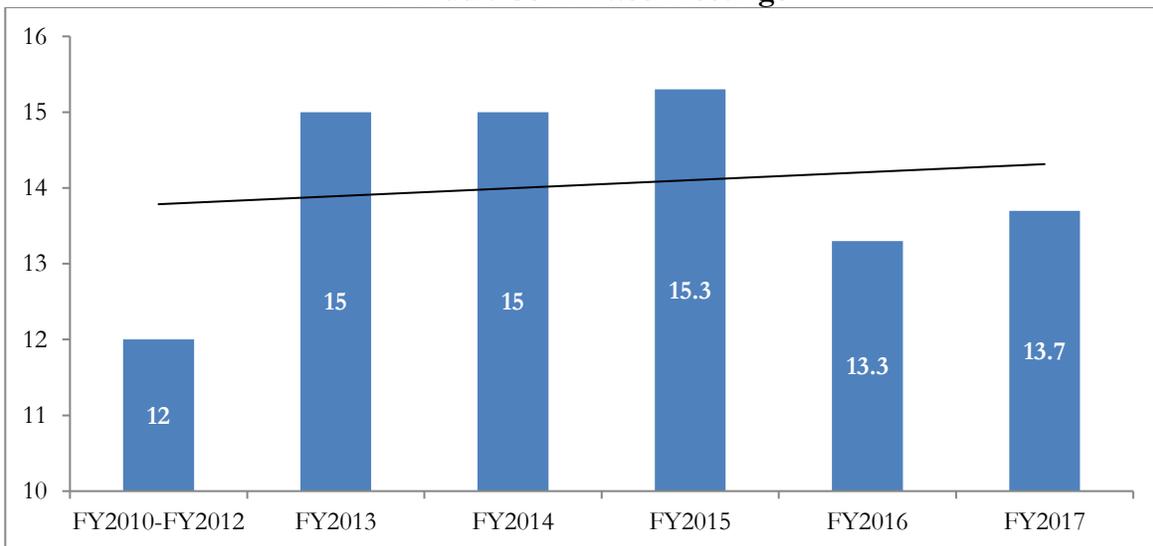
³ Throughout this report, separate conjunctive baselines and measures, e.g., "...in Uniformity and Litigation committee meetings ..." use "-1" and "-2" to distinguish them.

**1C-2 Average In-person Attendance by All States
in Litigation Committee Meetings**

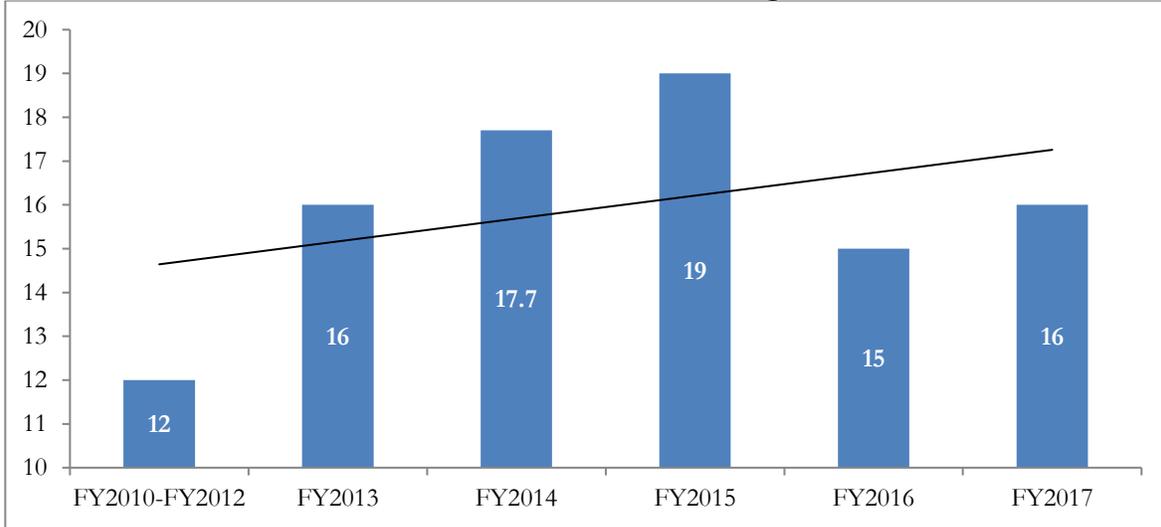


1C Target: Deferred.

**1D-1 Average In-Person Attendance by Program States
in Audit Committee Meetings**



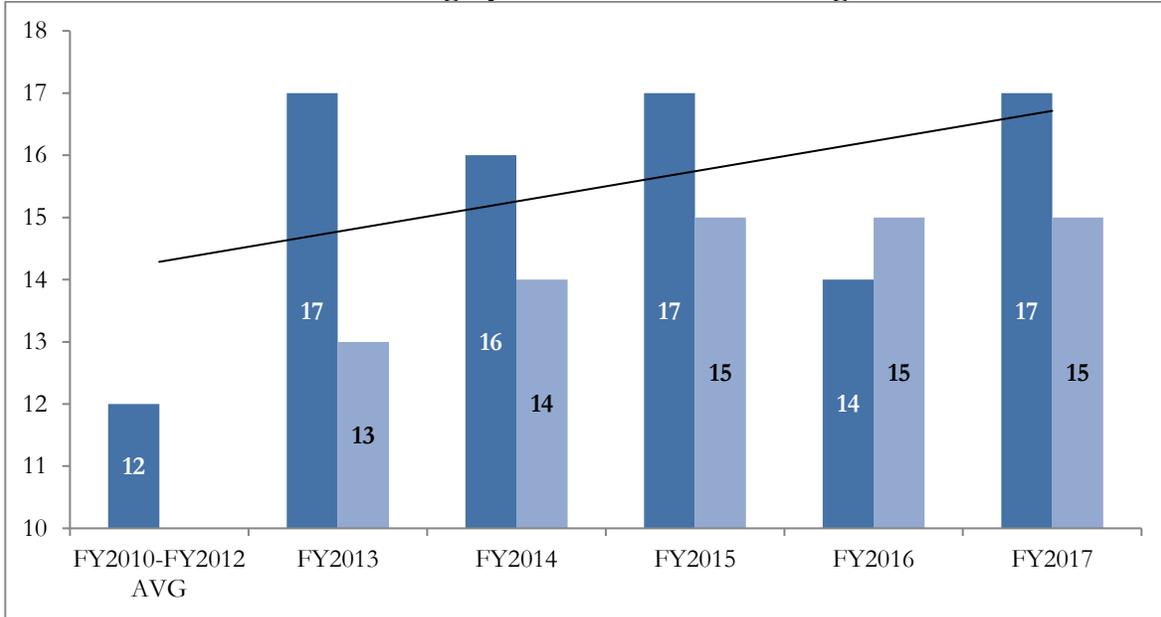
**1D-2 Average In-Person Attendance by Program States
in Nexus Committee Meetings**



1D Target: Deferred.

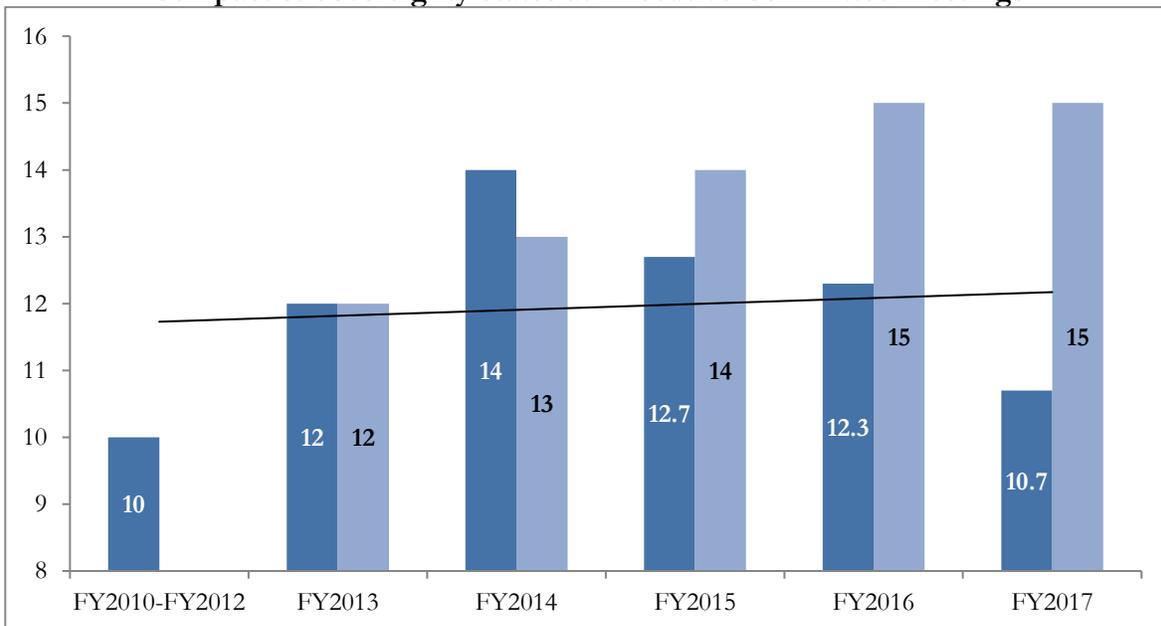
**OUTCOME 2. MORE TOP TAX ADMINISTRATORS (OR REGULAR ALTERNATES)
PARTICIPATING IN COMMISSION ACTIVITIES.**

2A. Personal Attendance by Top Tax Administrators or Regular Alternates of Compact & Sovereignty States at Annual Meetings



2A Target (lighter shade bar): Increase the number of tax administrators (or regular alternates) of compact and sovereignty member states at the Annual Meeting by 10% each year over the next 3 Annual Meetings to 15 by the 2016 Annual Meeting.

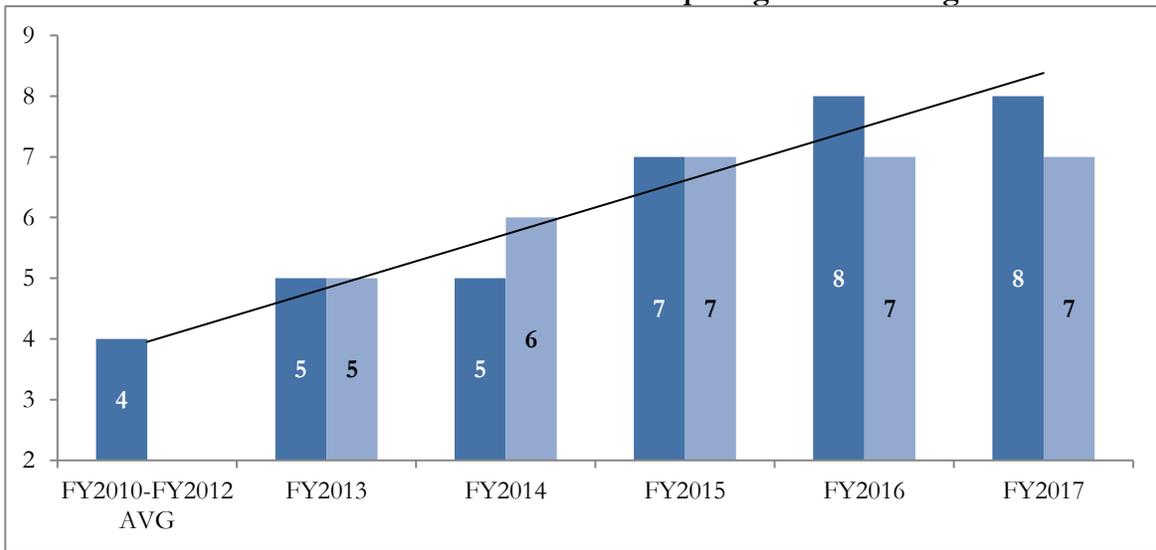
2B. Average Personal Attendance by Top Tax Administrators or Regular Alternates of Compact & Sovereignty States at Executive Committee Meetings



2B Target (lighter shade bar): Increase the average number of tax administrators (or regular alternates) of compact and sovereignty member states attending Executive Committee meetings each year by 1 state each year over the next 3 years to 15 on average.

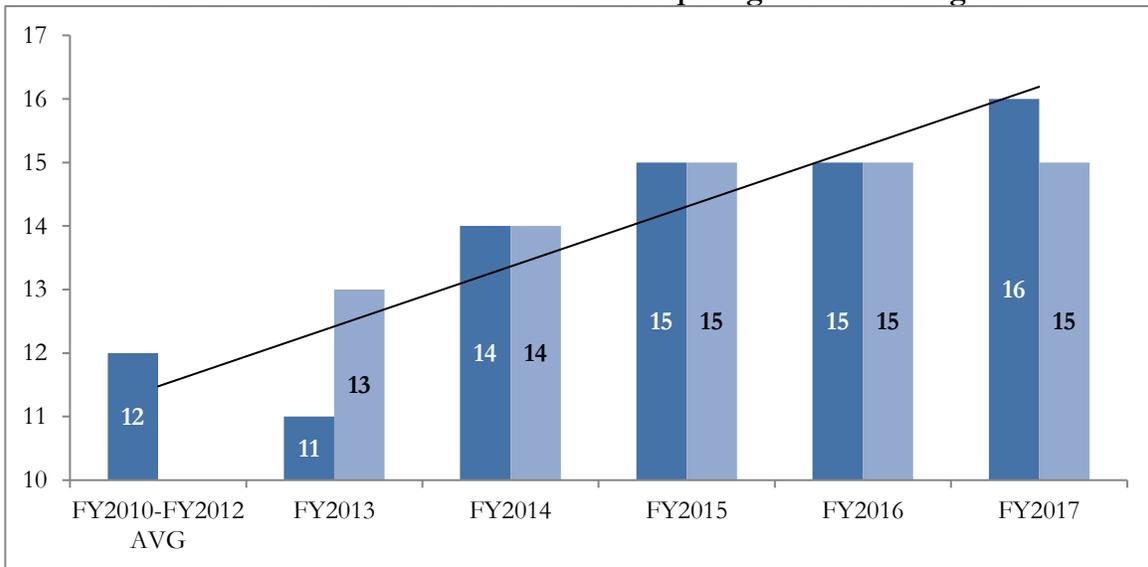
OUTCOME 3. MORE ASSOCIATE MEMBER STATES PARTICIPATING IN MTC PROGRAMS.

3A. Number of Associate States Participating in Audit Program



3A Target (lighter shade bar): Increase the number of Associate Member states participating in the Joint Audit Program by 1 state each year over the next 3 years.

3B. Number of Associate States Participating in Nexus Program



3B Target (lighter shade bar): Increase the number of Associate Member states participating in the National Nexus Program by 1 state each year over the next 3 years.

OUTCOME 4. INCREASE AWARENESS AMONG THE STATES OF THE MTC AND THE VALUE OF ITS PROGRAMS.

4. Timely contact by assigned Executive Committee liaison/MTC Executive Director with newly designated or inactive top tax administrators in compact, sovereignty, and associate member states, including sharing of state-specific information with newly designated or inactive top tax administrators.

FY2014 Average: 31 days (3 letters—Michigan, Alaska, and North Dakota)

FY2015 Average: 36 days (8 letters—Utah, Alaska, Texas, Hawaii, Georgia, Minnesota, Missouri, and Michigan)

FY2016 Average: 57 days (11 letters—Washington, Arizona, New Jersey, Kentucky, Louisiana, Nebraska, North Carolina, Florida, Massachusetts, California, Mississippi)

FY2017 Average: 68 days (14 letters—Oregon, D.C., Vermont, Missouri, Arkansas, Kansas, West Virginia, Tennessee, Indiana, Rhode Island, Delaware, South Carolina, Alabama, North Carolina)

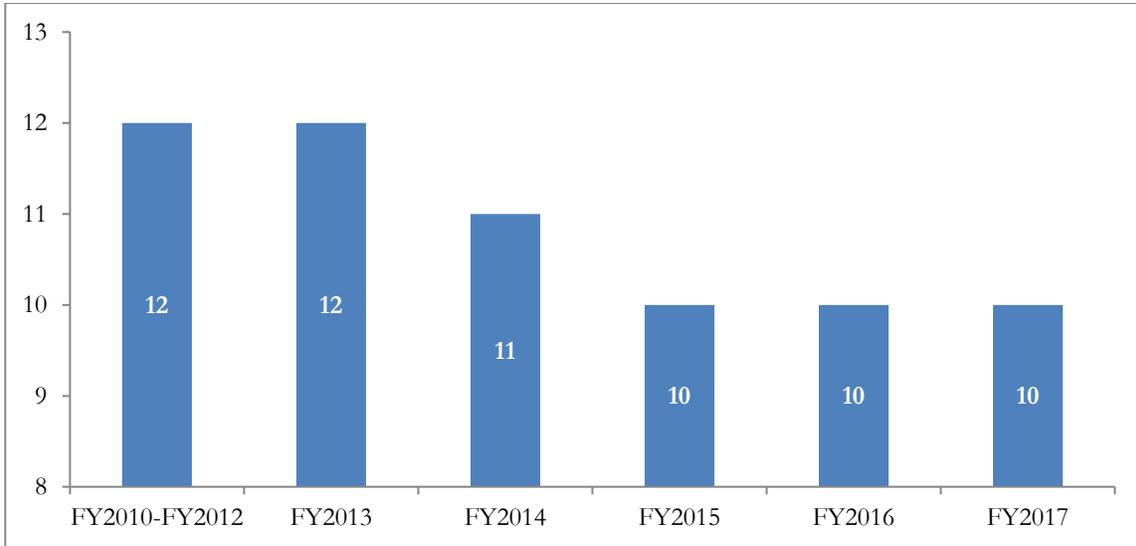
Note: Not tracked before FY2014.

Outcome 4 Targets: Deferred.

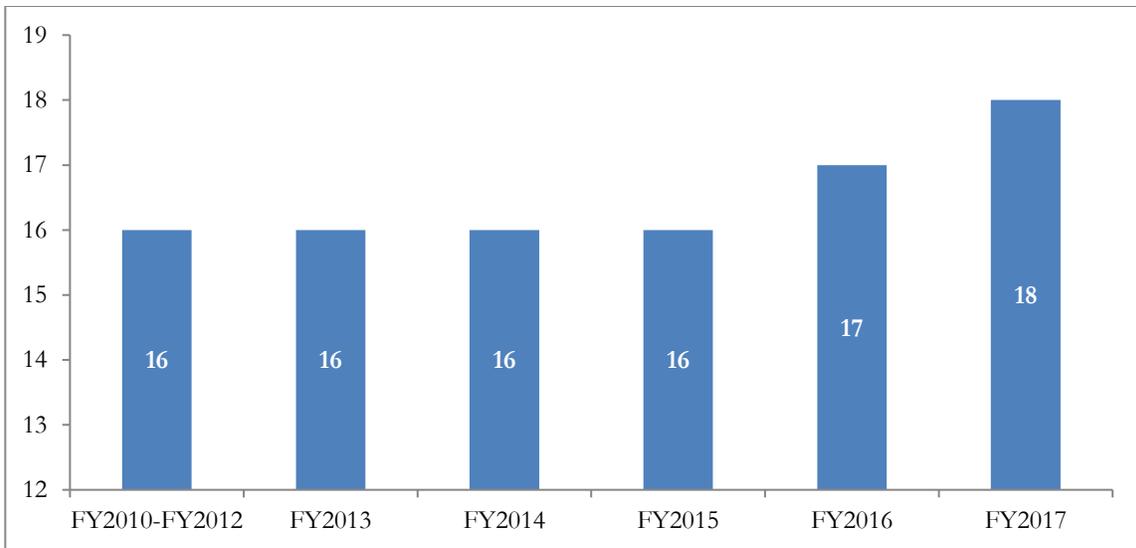
4. Time target (number of days after designation) for contact with new tax administrators, including sharing of state-specific data about participation in MTC by the new tax administrator's state, by Executive Committee liaison or MTC Executive Director.

OUTCOME 5. INCREASE PARTICIPATION BY AUDIT PROGRAM STATES IN MULTISTATE AUDITS.

5A-1 Average Number of Audit Program States Participating in Sales & Use Tax Audits



5A-2 Average Number of Audit Program States Participating in Income Tax Audits



**5B-1 Average Annual Number of Sales & Use Tax Audits
Participated in by Each Program State**

STATE	FY2010- FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Alabama	21.7	23	14	12	20	20
Arkansas	32.7	40	30	37	43	33
Colorado	24.0	24	14	19	28	26
D.C.	29.7	27	20	21	32	26
Georgia	19.3	24	16	15	20	18
Hawaii	15.3	18	14	23	29	27
Idaho	32.3	36	25	25	32	27
Illinois*	8.0	13	7	4	1	0
Kansas	30.7	38	27	32	43	37
Kentucky	30.3	35	25	31	39	33
Louisiana	28.3	35	27	31	42	33
Massachusetts*	0.0	1	2	3	1	1
Michigan	10.7	15	12	9	5	3
Minnesota*	12.0	13	5	3	1	0
New Jersey	16.7	17	13	16	19	17
North Dakota	34.0	40	28	33	37	31
South Carolina*	5.3	11	8	5	3	1
Tennessee	10.7	15	6	13	19	20
Utah	27.3	34	26	34	38	31
Wisconsin	25.0	29	23	25	30	22
Total Audits	35.0	42	31	38	47	40

* Massachusetts joined the program in FY2013; Minnesota left the program in FY2009, rejoined in FY2013, but then left again in FY2014; South Carolina joined the program in FY2011, but left in FY2014; Illinois left the program in FY2015.

**5B-2 Average Annual Number of Income Tax Audits
Participated in by Each Program State**

STATE	FY2010- FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Alaska	23.0	24	21	18	19	21
Alabama	15.3	16	12	14	18	21
Arkansas	25.0	25	22	20	20	22
Colorado	14.0	15	16	16	15	17
D.C.	23.3	18	14	13	17	20
Delaware ^o					4	8
Hawaii	6.7	7	6	8	8	7
Idaho	17.3	18	16	14	16	14
Illinois*	3.0	2	--	--	--	0
Iowa†				4	9	14
Kansas	18.0	19	18	16	17	18
Kentucky	23.7	23	20	18	19	19
Massachusetts*	0.0	1	1	3	3	3
Michigan	10.3	4	3	3	2	1
Minnesota*	4.3	4	4	1	1	0
Missouri	9.7	14	15	10	10	10
Montana	20.0	21	18	17	18	21
Nebraska	25.0	23	20	18	19	20
New Hampshire ^o					2	5
New Jersey	7.3	5	6	6	7	9
New Mexico	24.7	24	21	20	21	23
North Dakota	21.3	23	20	18	20	23
Oregon	23.0	22	19	16	8	13
Pennsylvania†				4	7	13
Rhode Island†				3	18	17
South Carolina*	2.0	7	1	4	2	1
Tennessee	7.7	14	13	11	13	17
Utah	24.3	25	22	20	21	22
West Virginia	24.3	24	21	19	19	21
Wisconsin	20.3	21	18	14	13	12
Total Audits	25.0	25	22	20	21	23

* Massachusetts joined the program in FY2013 but left the program for FY2016; Minnesota left the program in FY2009, rejoined in FY2013, but then left again in FY2014; South Carolina joined the program in FY2011, but left in FY2014; Illinois left the program in FY2015.

† Iowa, Pennsylvania, and Rhode Island joined the program for income tax in FY2015.

^oDelaware and New Hampshire joined the program for income tax FY2016.

Outcome 5 Targets: Deferred.

5. Increase over baselines of (raw number or a percent) by (date).