

## **Resolution 97-7**

### **Guidelines for Future Action on MTC Policy Resolutions**

**WHEREAS**, over the course of its 30-year history the Multistate Tax Commission has adopted numerous resolutions on policy matters ("policy resolutions") that include its positions on pending federal legislation and aspects of state taxation that are relevant to the Commission's purposes enumerated in the Compact, and

**WHEREAS**, resolutions related to such subjects as Commission Bylaws, Commission uniformity recommendations to the States, internal administration and governance of the Commission (including budgetary, Commission legal compliance and personnel matters), and procedures and policies followed under the Commission's tax compliance programs, shall not be considered policy resolutions for the purposes of this resolution, and

**WHEREAS**, many of the Commission's adopted policy resolutions have become irrelevant because of the course of events subsequent to their adoption, such as lack of reintroduction of federal legislation referred to in a resolution, and

**WHEREAS**, certain Commission policy resolutions have been superceded by subsequent resolutions dealing with the same subject matter, and

**WHEREAS**, the Commission's practice has been to treat all of the policy positions it adopts through policy resolutions as reflective of its position until such time as the resolution is explicitly withdrawn, and

**WHEREAS**, the Commission retains the authority and discretion to determine the form, content and duration of any policy resolution it may adopt, and

**WHEREAS**, the Member States and the general public would benefit from clarity and certainty with respect to the Commission's current position on policy matters addressed in Commission policy resolutions,

**NOW, THEREFORE, BE IT RESOLVED**, that the Multistate Tax Commission reaffirms that its adopted resolutions on policy matters should be viewed as reflective of its position until the earlier of such time as they are explicitly withdrawn by subsequent Commission action or an expiration date or event stated in the resolution itself has occurred, and

**BE IT FURTHER RESOLVED**, that the Commission recommends that States, Commission committees and staff consider, in drafting future policy resolutions, the following guidelines with regard to including expiration dates or events in draft policy resolutions for Commission consideration:

- that the expiration date or event in a future policy resolution expressing the Commission's position on a pending piece of federal legislation should generally be the first Commission Annual Meeting occurring after the end of the specific session of Congress in which the bill has been introduced
- that the expiration date or event in a policy resolution expressing a Commission objective with respect to federal legislation and/or other federal government action that is not limited to a specific pending piece of legislation should generally be the first Commission Annual Meeting occurring after the end of the Congress during which the resolution is adopted
- that the expiration date in all other policy resolutions should generally be no later than the fifth Commission Annual Meeting occurring after the Commission meeting at which the resolution is adopted

and

**BE IT FURTHER RESOLVED**, that the Commission hereby expressly withdraws the following resolutions adopted between 1967 and 1982, inclusive, which it views as either moot or superceded by subsequent resolutions:

- Resolution adopted 10/69 regarding principles the MTC could adhere to in federal legislation preempting certain property tax practices with respect to railroads
- Resolution adopted 6/70 approving the policy framework of the so-called "Ad Hoc Proposal" in principle and in substance but delaying the vote to further study the Proposal's technical details
- Resolution adopted 9/71 opposing enactment of H.R. 8595, preempting state income taxation of non-residents
- Resolution adopted 9/71 that all corporate income should be apportioned, that the distinction between business and non-business income should be abolished, and that the Chairman should implement a research and study program in order to determine how this purpose can best be effected

- Resolution adopted 9/71 in support of the work of the Institute for Tax Administration program of the University of Southern California School of Public Administration and exploring the possibility of a joint program to fulfill the needs of the various states regarding staff development in the areas of technical, administrative and managerial capabilities
- Resolution adopted 1/72 recommending including the both-member-and-population-vote requirement of the MTC Bylaws into the Multistate Tax Compact Consent bill which had been introduced into Congress
- Resolution adopted 6/72 endorsing the Common Tax Audit Bill to be introduced in Congress
- Resolution adopted 6/72 opposing enactment of S. 3333 (Multistate Tax Compact consent bill) by Congress
- Resolution adopted 6/72 endorsing state enactment of legislation authorizing the state tax administrator to share tax information with other states and the MTC
- Resolution adopted 6/75 opposing federal preemption of state taxing authority
- Resolution adopted 5/76 opposing a provision of the UK-US tax treaty preempting state income taxation
- Resolution adopted 5/76 regarding USACIR recommendations on interstate banking legislation
- Resolution adopted 5/77 recommending apportionment of all corporate income
- Resolution adopted 6/78 calling on the US Senate to deny consent to the UK-US Tax Treaty until Article 9(4) preempting worldwide combined reporting is removed
- Resolution adopted 7/80 opposing H.R. 5076, S. 983 and S. 1688, preempting state use of worldwide combined reporting and other income tax practices
- Resolution adopted 7/81 opposing H.R. 1983 and S. 655, preempting state use of worldwide combined reporting
- Resolution adopted 7/82 requesting NAAG support for a petition for re-hearing in the *ASAARCO-Woolworth* cases
- Resolution adopted 7/82 requesting NGA support for a petition for re-hearing in the *ASAARCO-Woolworth* cases

- Resolution adopted 7/82 thanking NATA for its support for a petition for rehearing in the *ASAARCO-Woolworth* cases

and,

**BE IT FURTHER RESOLVED**, that the Commission's Executive Director shall prepare as soon as practical a list of all policy resolutions adopted by the Commission that have not been withdrawn, and

**BE IT FURTHER RESOLVED**, that the Commission requests that the Resolutions Committee initiate an orderly process of identifying the policy resolutions adopted by the Commission between 1982 and 1993 that are moot or have been superseded by subsequent resolutions and recommending to the Commission their withdrawal, and

**BE IT FURTHER RESOLVED**, that all non-withdrawn policy resolutions of the Commission shall expire the day before the Commission's Annual Meeting in 2000, unless they include a later expiration date or event, and

**BE IT FURTHER RESOLVED**, that the Executive Director shall implement an appropriate policy resolution numbering system to facilitate the purposes of this Resolution, and

**BE IT FINALLY RESOLVED**, that this resolution will expire on the day before the Multistate Tax Commission Annual Meeting in 2002.

Adopted this 8th day of August, 1997, by the Multistate Tax Commission.

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Dan R. Bucks, Executive Director