



To: Multistate Tax Commission  
From: Joe Huddleston, Executive Director  
Date: July 16, 2013  
Subject: 2013 Executive Committee Annual Report

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The Executive Committee met four times during the period July 1, 2012, to June 30, 2013:

- July 28<sup>th</sup> in Grand Rapids, Michigan
- December 6<sup>th</sup> in Denver, Colorado
- May 9<sup>th</sup> in Washington, D.C.

The meetings were regular meetings through which the committee provided oversight and direction to the activities of the Commission.

The following members of the Commission were elected to serve as Commission officers and members of the Executive Committee for fiscal year 2013:

- Chairman: Cory Fong (North Dakota)
- Vice Chairman: Alana M. Barragán-Scott (Missouri)
- Treasurer: Julie P. Magee (Alabama)
- At-large: Susan Combs, Texas Comptroller of Public Accounts; Andy Dillon, State Treasurer, Michigan; Myron Frans, Commissioner of Revenue, Minnesota; and Demesia Padilla, Secretary of Taxation and Revenue, New Mexico.

In December, Alana M. Barragán-Scott accepted an appointment as the Director of the Missouri Administrative Hearings Commission; this resulted in a vacancy in the office of vice-chair. The Chair appointed Julie Magee to serve out the remainder of Ms. Barragán-Scott's term. This resulted in a vacancy in the office of treasurer, and the Chair appointed Demesia Padilla to serve out the remainder of Ms. Magee's term. The Chair then appointed Rich Jackson, Chairman of the Idaho State Tax Commission, to serve out the remainder of Ms. Padilla's at-large term. All appointees were duly elected by the Executive Committee in accordance with the bylaws on May 9, 2013.

The Executive Committee took the following actions during fiscal year 2013:

- Approved the efforts and completed work of the Strategic Planning Steering Committee for fiscal year 2012, including a review and revision of the mission statement, a statement of values, a vision statement, and strategic goals areas that

- supported the mission, vision, and values of the Commission (including initial focus on the two goal areas of the engagement and compliance).
- Took no action but retained Recommended Amendments to Compact Article IV to allow more time for states, as well as stakeholders, to review the proposal.
  - Took no action but retained a Model Sales & Use Tax Notice and Reporting proposal pending the final resolution of litigation in Colorado.
  - Accepted New Mexico's offer of hosting the Commission's annual meeting in 2014.
  - Approved the audited financial statements as reported in an independent auditor report for fiscal year July 1, 2011 – June 30, 2012.
  - Considered a report regarding a complaint filed July 26, 2012, pursuant to Commission Public Participation Policy §24, and directed staff to develop recommended amendments to the bylaws and public participation policy with respect to notice requirements for Commission meetings and hearings.
  - Referred a Model Statute Regarding Partnership or Pass-Through Entity Income That Is Ultimately Realized by an Entity that is Not Subject to Income Tax back to the Uniformity Committee for them to consider additional language proposed by a member of the Uniformity Committee's working group for the project.
  - Directed a public hearing be held pursuant to Art. VII of the Multistate Tax Compact regarding proposed Recommended Amendments to Compact Article IV, as amended by the committee.
  - Elected Julie P. Magee, Alabama Revenue Commissioner, to serve out the unexpired portion of Alana M. Barragán-Scott's term as Commission Vice Chair.
  - Elected Demesia Padilla, New Mexico's Secretary of Taxation & Revenue, to serve out the unexpired portion of Julie P. Magee's term as Commission Treasurer.
  - Elected Rich Jackson, Chairman of the Idaho Tax Commission, to serve out the unexpired portion of Demesia Padilla's at-large position on the Executive Committee.
  - Approved the proposed 2013-2014 budget for the Commission.
  - Approved Recommended Amendments to Public Participation Policy and Bylaws Regarding Notice Requirements for adoption by the Commission and directed that requisite notice be provided so that they would be considered at the Commission's annual business meeting schedule for July 24, 2013.

- Considered the Model Statute for Partnership or Pass-Through Entity Income Ultimately Realized by an Entity That Is Not Subject to Income Tax and directed that the project be concluded by staff preparation of a final project report.
- Referred a Proposed Resolution in Support of State Consideration of the Streamlined Sales and Use Tax Agreement's Telecommunications Sourcing Rules and Definitions to the Resolutions Committee.

The Executive Committee undertook additional actions during fiscal year 2013 that are recorded in the minutes of its meetings.