



MULTISTATE TAX COMMISSION

Working Together Since 1967 to Preserve Federalism and Tax Fairness

To: Members, Executive Committee

From: Janielle Lipscomb, Audit Committee Chair
Rick DeBano, Vice Chair

Date: November 20, 2009

Subject: Report of the Audit Committee

The Audit Committee met twice thus far in fiscal year 6/10. They first met on July 28, 2009 in Kansas City, MO. There were 35 members, guests and staff present at the meeting. There were 27 individuals representing 17 Audit Program States present. There were 4 members of the public present at the meeting.

The Audit Committee reviewed the status of all the audits in progress. A discussion was held on 8 income tax and 4 sales tax audits that had significant issues. The Audit Committee expressed its satisfaction with the status of the audits in progress.

The Audit Director distributed an electronic waiver form to be used by taxpayers who do not want to use a secured email distribution. Many states use such a form when taxpayers agree to send company information through an email.

The Audit Committee conducted a round table discussion regarding audit leads and issues that individual states are experiencing.

The Audit Committee met a second time via a teleconference on November 19, 2009. There were 39 members, and staff present at the meeting. There were 33 individuals representing 23 Audit Program States present. Since this was a closed session meeting, there were no members of the public present at the meeting.

The Audit Committee reviewed the status of all the audits in progress. A discussion was held on 13 income tax and 2 sales tax audits that had

significant issues. The Audit Committee expressed its satisfaction with the status of the audits in progress.

Since this was a teleconference the Audit Committee did not conduct a round table discussion of audits in the states that would normally been done. The meeting lasted 1 and a half hours.