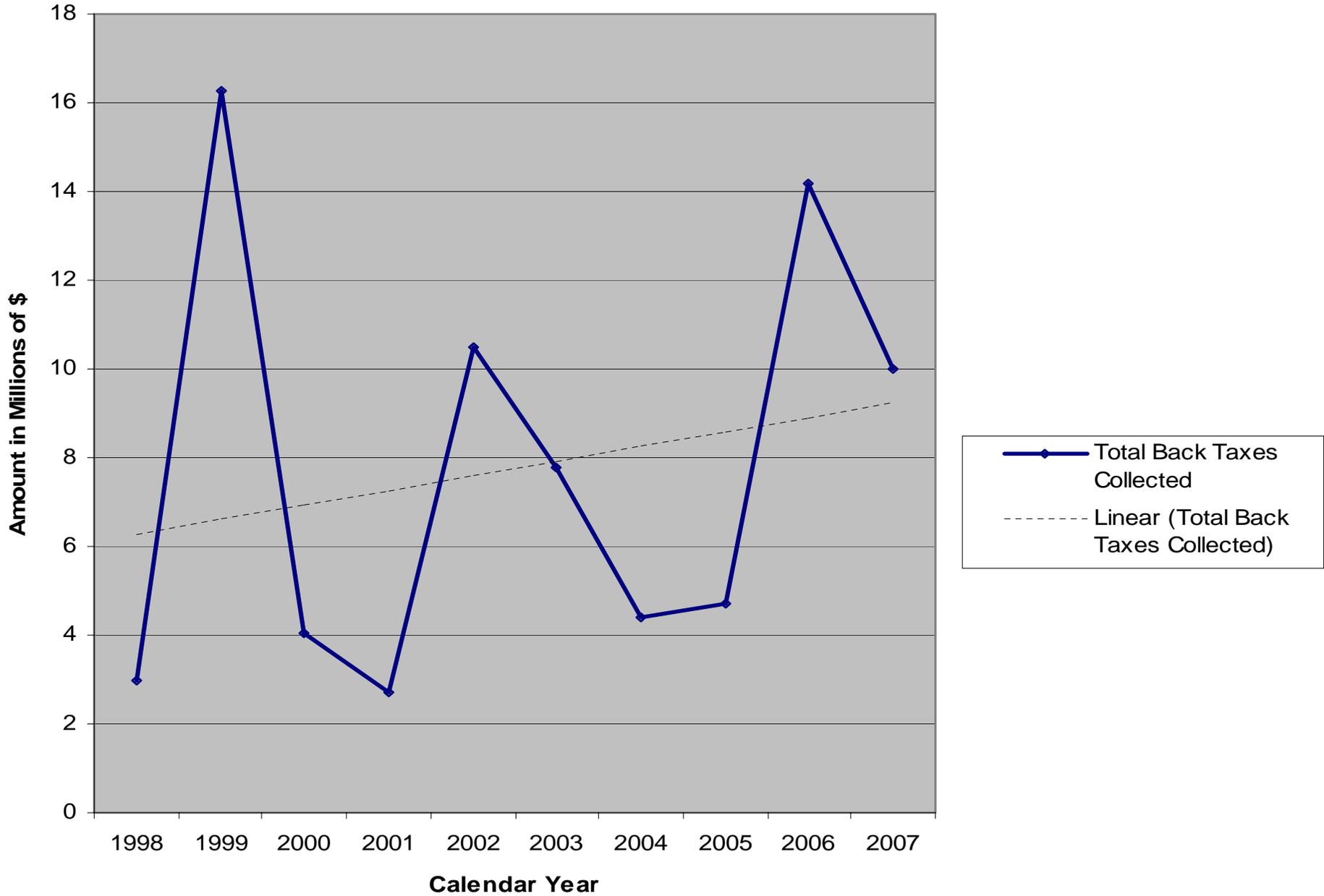




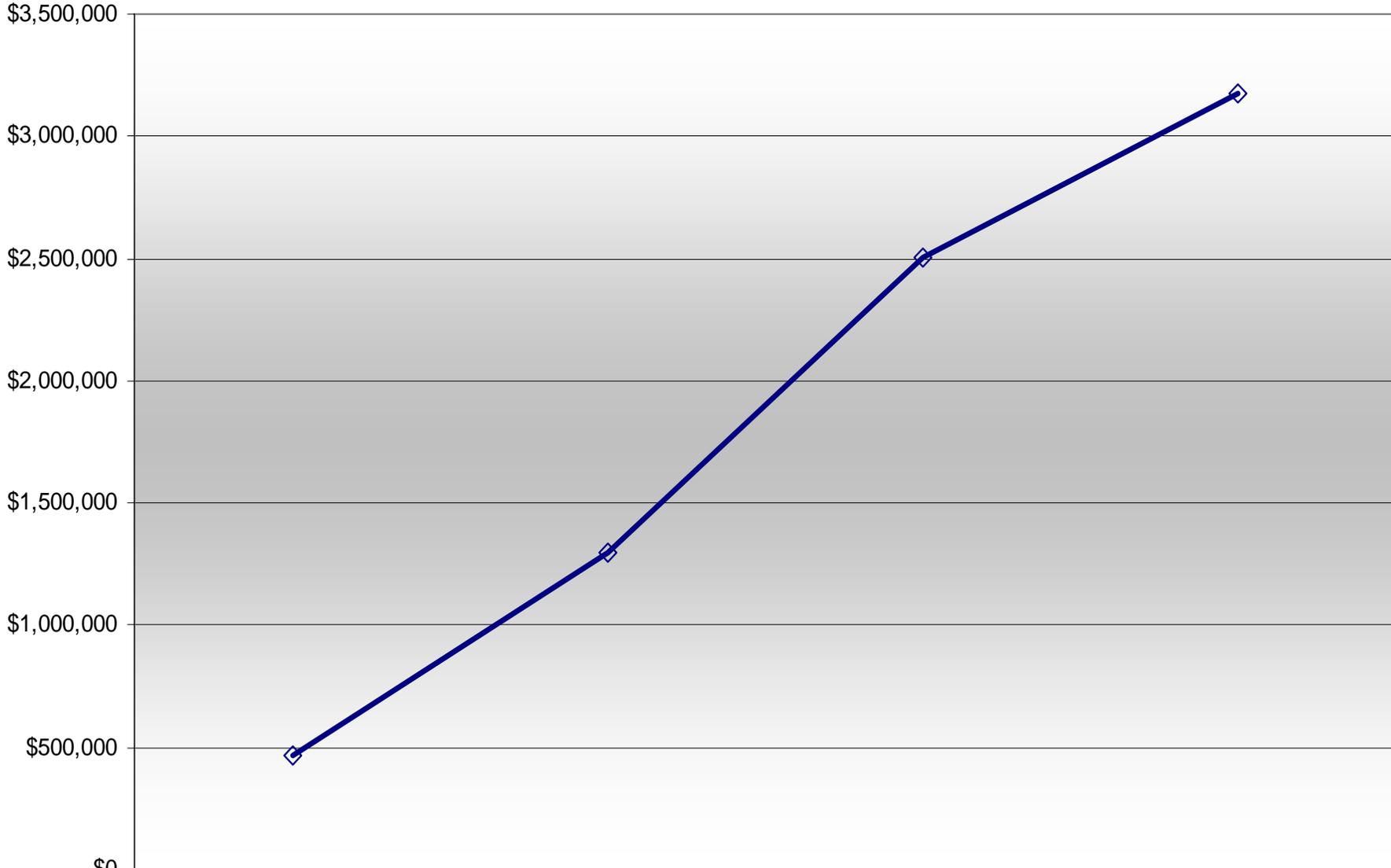
MULTISTATE TAX COMMISSION

National Nexus Program
Voluntary Disclosure Program
March 2008 Nexus Committee Reports

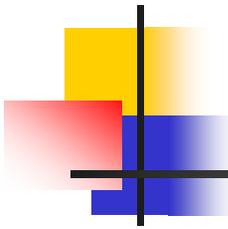
Total Back Taxes Collected



4th Quarter VDP Performance



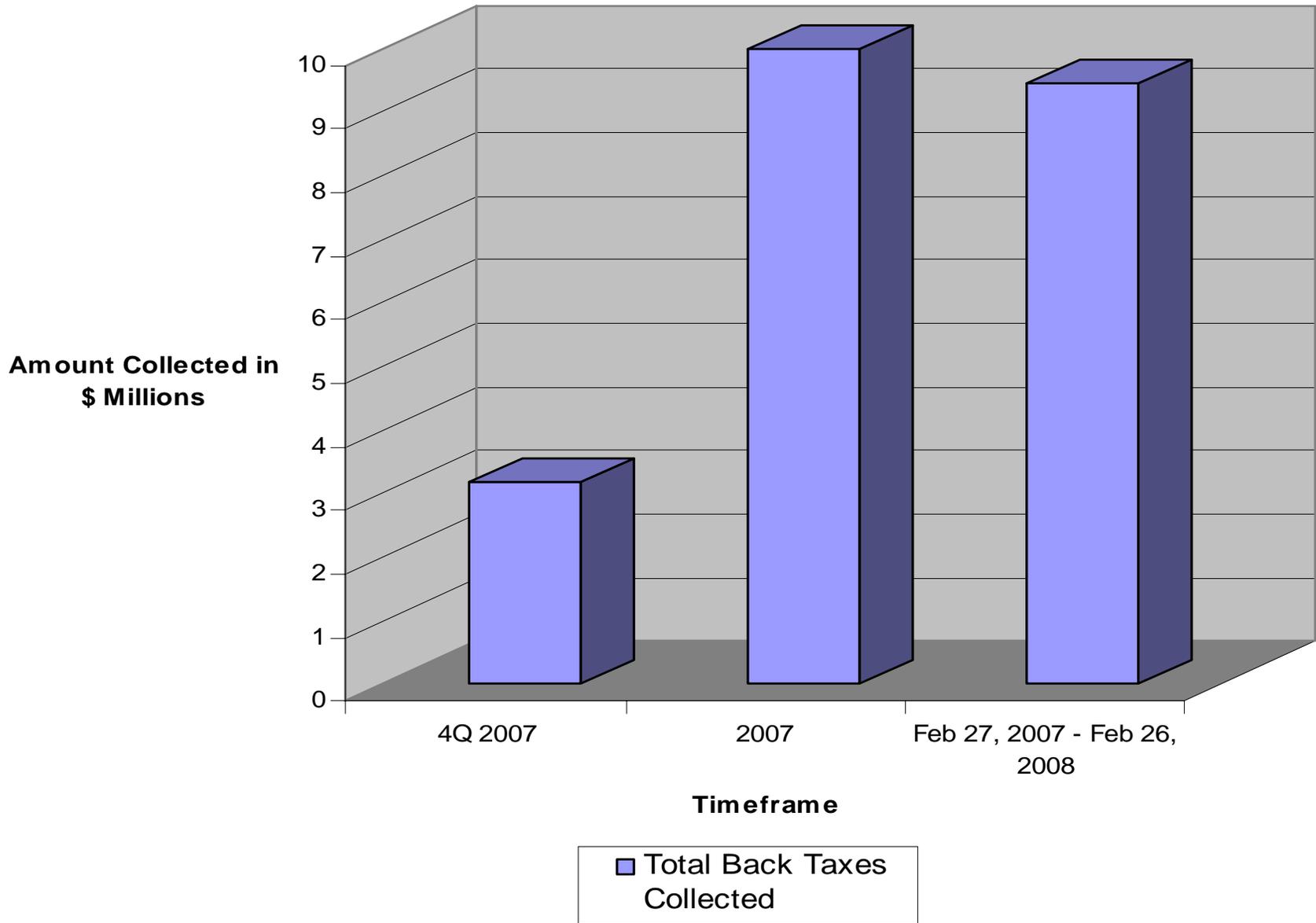
	Q4 2004	Q4 2005	Q4 2006	Q4 2007
Amount Collected	\$465,067	\$1,295,518	\$2,504,130	\$3,172,661



Timeline of Back Taxes Collected

- Though there are substantial variations due to outliers, the trend of back tax collection is sharply upward.
- In 2007 the VDP returned \$9.98 million in back taxes to the states.

Total Back Taxes Collected

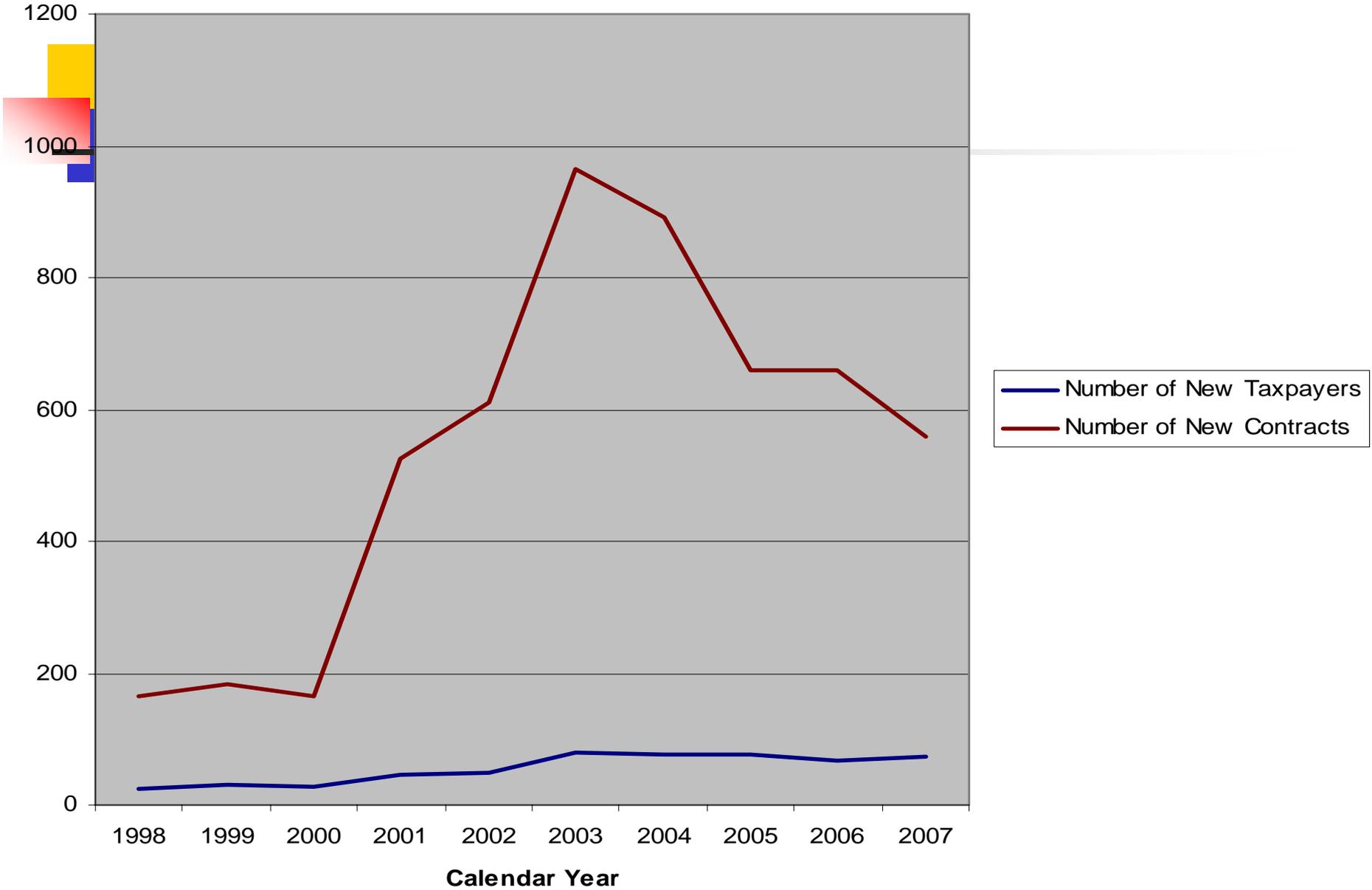




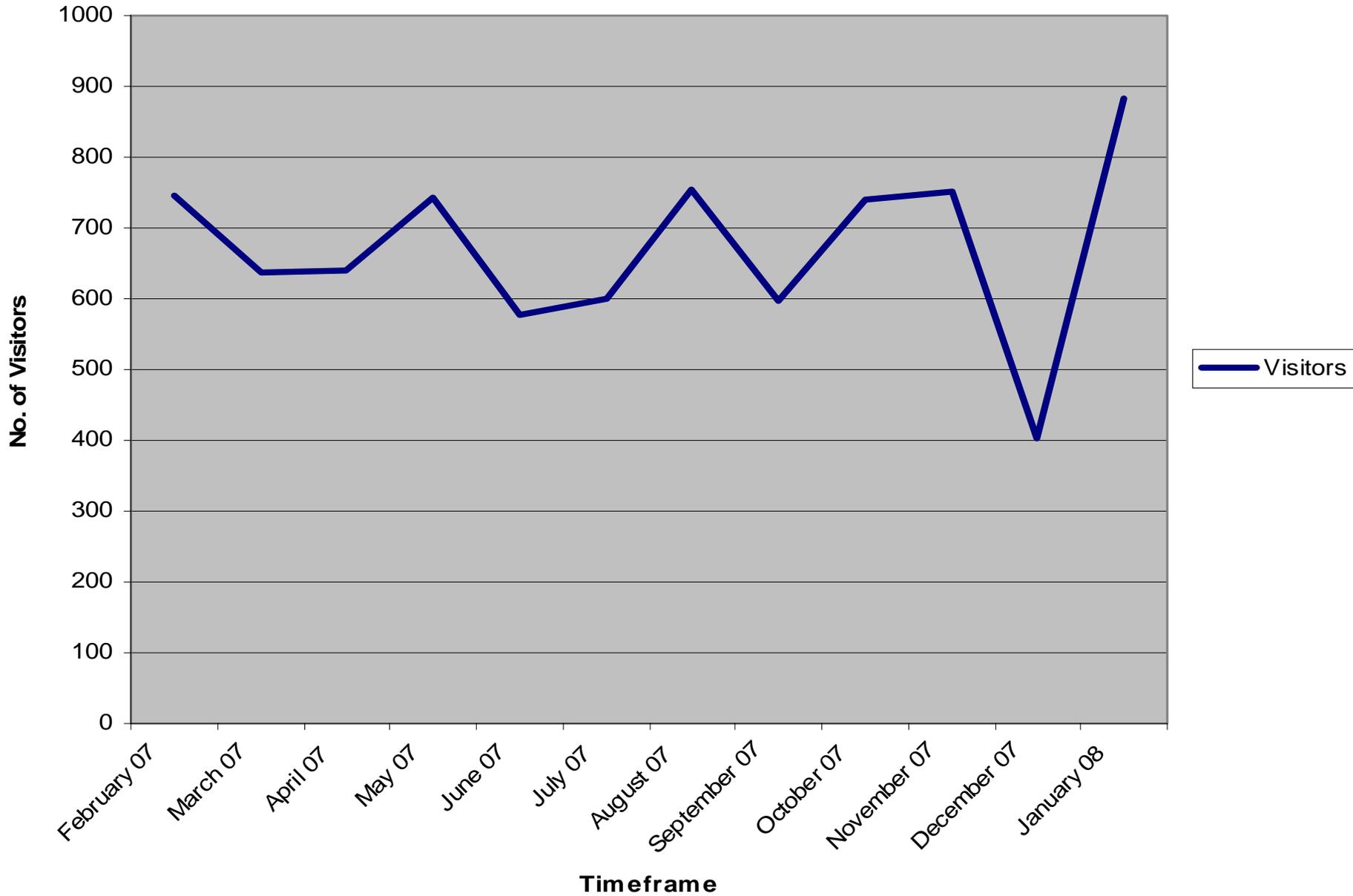
Past Year VDP Collections

- 4Q 2007 Collections = \$3.17 million
- 2007 Collections = \$9.98 million
- Last 365 (as of 2/26/08) = \$9.42 million
- The short-term trend shows a slight decrease.

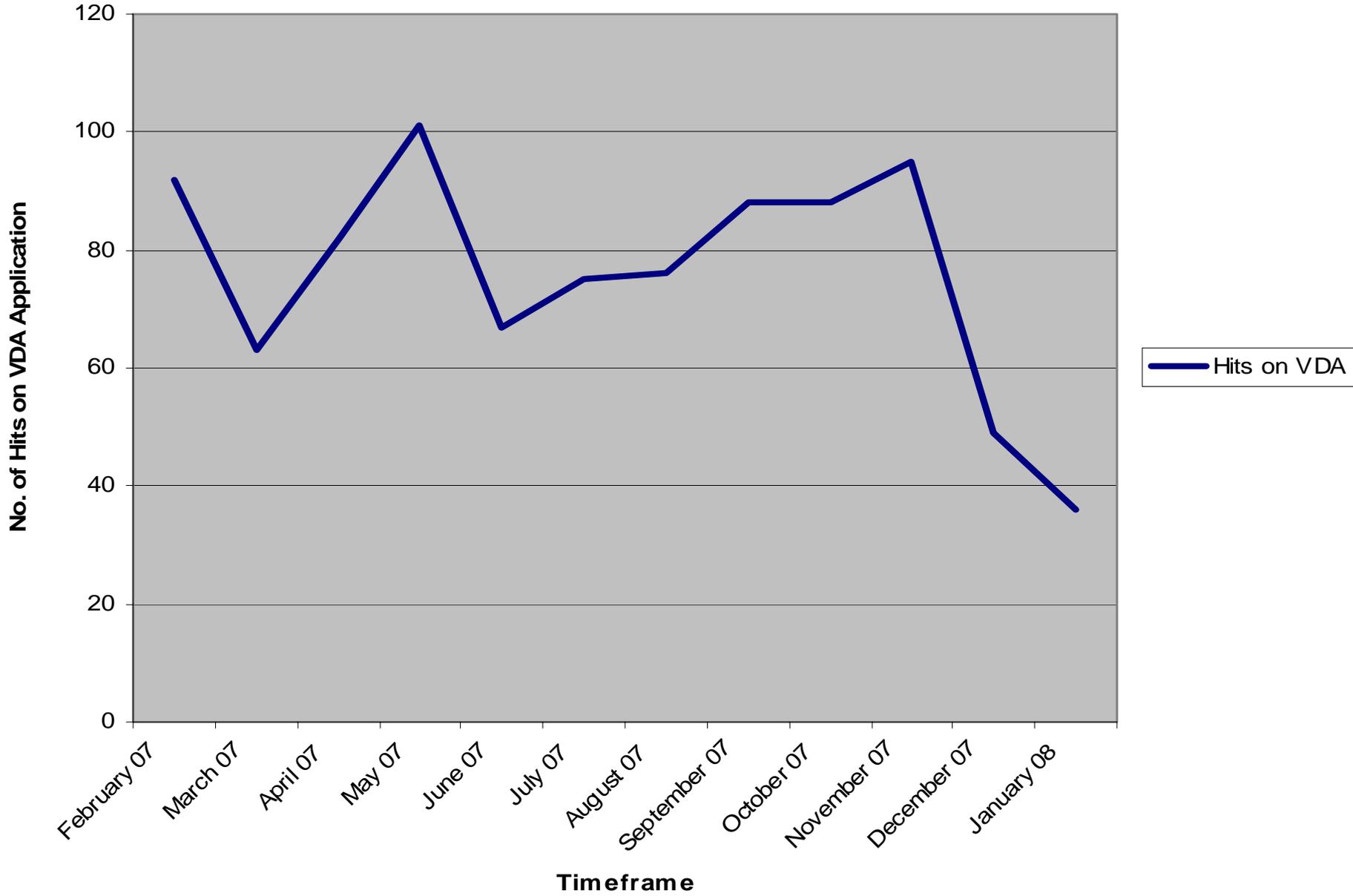
Timeline of VDP Activity

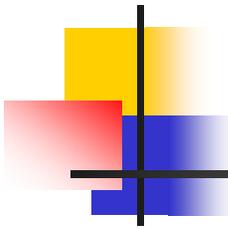


Nexus Site Usage Statistics



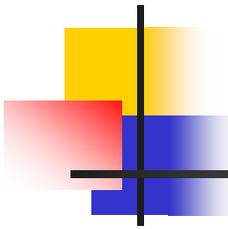
Nexus Site Usage Statistics





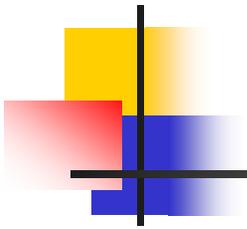
Nexus Website Activity

- Fluctuates in roughly three-month cycles
- Nexus site usage is largely unchanged
- VDA Application hits are down compared to December and January of previous year



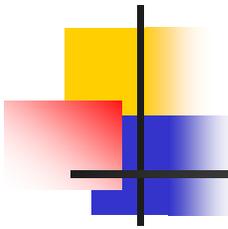
Improving Website Usage

- Focus on web site features that attract traffic



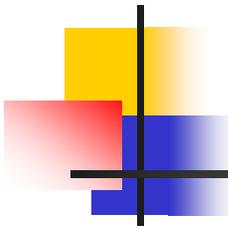
Increasing VDP Activity

- Two-year Goals:
 - Substantially increase number of VDP taxpayers
 - Substantially increase back tax collections
- Method:
 - Fast processing and taxpayer control through database renovation
 - Measuring taxpayer satisfaction
 - Strong web presence



VDP Improvements

- Marketing
 - Google AdWords
 - Better targeting of informational material



The future

- Continued strong growth – by no means a given! – requires a faster voluntary disclosure process with greater taxpayer control and a touch of marketing



Multistate Tax Commission
National Nexus Program

**NEXUS COMMITTEE MEETING
VOLUNTARY DISCLOSURE REPORT**

To: Nexus Committee Members
From: Thomas K. E. Shimkin
Date: February 29, 2008
Subject: Voluntary Disclosure Results

**October 1, 2007 -- December 31, 2007
Reporting Period**

Participation in the National Nexus Program's voluntary disclosure process remains strong among potential taxpayers and tax professionals.

- ◆ Between October 1, 2007 (the date of the last report) and December 31, 2007, the Nexus Program executed contracts with 35 taxpayers, which resulted in 85 separate contracts with states.
- ◆ These 85 contracts resulted in \$3,172,661 in back taxes collected during the reporting period.
- ◆ The National Nexus Program opened 15 new voluntary disclosure cases during the reporting period. These cases represent 157 separate potential contracts with states.



Multistate Tax Commission
National Nexus Program

**NEXUS COMMITTEE MEETING
VOLUNTARY DISCLOSURE REPORT**

To: Nexus Committee Members
From: Thomas K. E. Shimkin
Date: February 26, 2008
Subject: Voluntary Disclosure Results

**January 1, 2007 -- December 31, 2007
Reporting Period**

Participation in the National Nexus Program's voluntary disclosure process remains strong among potential taxpayers and tax professionals.

- ◆ Between January 1, 2007 (the date of the last report) and December 31, 2007, the Nexus Program executed contracts with 83 taxpayers, which resulted in 437 separate contracts with states.
- ◆ These 437 contracts resulted in \$9,982,831 in back taxes collected during the reporting period.
- ◆ The National Nexus Program opened 72 new voluntary disclosure cases during the reporting period. These cases represent 559 separate potential contracts with states.