



**PUBLIC NOTICE & AGENDA**  
**Multistate Tax Commission**  
**Uniformity Committee, Income and Franchise Tax Subcommittee**  
**Meeting via Teleconference**

**Tuesday, January 7, 2014**  
**3:30 p.m. Eastern**

**Via Teleconference**  
Dial-In Number: 1-888-809-4012  
Conference Code: 6815069

**I. Welcome and Introductions**

**II. Review of Report of the Hearing Officer, Multistate Tax Compact Article IV (UDIPTA) Proposed Amendments**

Specific Hearing Officer recommendations to be reviewed by Uniformity Committee for recommendation to and further consideration by, the Executive Committee:

1. Should Section 18 contain an explicit provision stating that the party invoking alternative apportionment should have the burden of proof that the statutory conditions for alternative apportionment have been satisfied? Should the burden of proof be the same for either the taxpayer or the tax administrator?

2. Should Section 18 prohibit the tax administrator from imposing a penalty on a taxpayer (except in cases where the transactions at issue are the result of tax avoidance such as sham transactions, or lack economic substance, do not reflect arm's length pricing, violate the step transaction doctrine, or otherwise reflect a tax avoidance strategy), when the tax administrator has successfully invoked alternative apportionment but the taxpayer complied with the general apportionment rules in filing its return?

3. Should the Executive Committee consider the Hearing Officer's redraft of Article IV.1(a) and (e) (definitions of apportionable and non-apportionable income)?

4. Should receipts from hedging transactions and the treasury function be included in the receipts factor under Article IV.1(g)?

5. Should the Executive Committee consider the Hearing Officer's two alternative drafts of Article IV.1(g) (definition of gross receipts)?

**Materials to be reviewed prior to teleconference.** Memo of Shirley Sicilian, General Counsel, to the MTC Executive Committee of May 3, 2012:

[http://www.mtc.gov/uploadedFiles/Multistate\\_Tax\\_Commission/Events/2011-12\\_Committee\\_Meetings/EC%20memo%20-%20Art%20IV%20%20\(09-19-2012\).pdf](http://www.mtc.gov/uploadedFiles/Multistate_Tax_Commission/Events/2011-12_Committee_Meetings/EC%20memo%20-%20Art%20IV%20%20(09-19-2012).pdf)

Report of the Hearing Officer:

[http://www.mtc.gov/uploadedFiles/Multistate\\_Tax\\_Commission/Pomp%20final%20final3.pdf](http://www.mtc.gov/uploadedFiles/Multistate_Tax_Commission/Pomp%20final%20final3.pdf)

### **III. Next Steps**

### **IV. Adjourn**

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*If you would like additional information about this meeting, contact Sheldon Laskin, Multistate Tax Commission, 444 North Capitol Street, N.W., Suite 425, Washington, D.C. 20001  
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