



MULTISTATE TAX COMMISSION

MINUTES of
Uniformity Committee Meeting
Monday, July 22, 2013
3:30 p.m. Pacific Time

I. Welcome and Introductions

Wood Miller, Chair of the Uniformity Committee, (MO) opened the meeting. The following persons were in attendance:

Name	Affiliation	Name	Affiliation
Kelly Gillikin	AL	Lennie Collins	NC
Chris Sherlock		Matt Peyerl	ND
Curtis Stewart		Emily Thompson	
Walter Anger	AR	Myles Vosberg	
Tom Atchley		Donnita Wald	
Robynn Wilson	AS	Rebecca Abbo	OR
Phillip Horwitz	CO	Gary Humphrey	UT
Aaishah Hashmi	DC	Julie Anderson	
Phyllis Abe	HI	Frank Hales	TX
Donald Kuriki		Christina Heath	
Madelaina Lai		Private Sector	
Michael Chakarun	ID	Deborah Bierbaum	AT&T
Richard Jackson		Greg Turner	COST
Randy Tilley		Karen Boucher	Deloitte Tax
William von Tagen		Robert Montellione	Prudential Financial
Richard Cram	KS	Saabir Kapoor	Sutherland
Jason DeCuir	LA	MTC Staff	
Kimberly Dolely		Benjamin Abalos	Gregory Matson
Wood Miller	MO	Ken Beier	Thomas Shimkin
Lee Baerlocher	MT	Roxanne Bland	Shirley Sicilian
Gene Walborn		Elliott Dubin	Jeffrey Silver

II. Approval of Minutes of In-person Meeting, March 6, 2013

Mr. Miller noted his state of origin should be changed to Missouri, rather than Idaho. Randy Tilley (ID) moved that the minutes of the March 6th meeting be accepted as corrected. The motion carried unanimously.

III. Public Comment Period

There were no public comments at this time.

IV. Reports and Possible Action Items

a. (Sales/Use Tax Segment)

Richard Cram, Chair of the Uniformity Subcommittee on Sales & Use Tax, (KS) presented the subcommittee's report. The Sales and Use Tax Uniformity Subcommittee met earlier in the day. It went through the policy checklist for the Model Associate Nexus statute and agreed to proceed on the project. It also reviewed the Class Action and FCA proposal and decided to create a working group or consider endorsing the ABA proposal. The Subcommittee is currently seeking volunteers for the work group. Lila Disque, MTC Counsel, presented on the Marketplace Fairness Act, and the subcommittee recommended to the full committee that a project be undertaken that would involve drafting model provisions to be used for notice and simplification. Aaishah Hashmii (DC) noted that DC will likely pass legislation this year intended to implement the MFA simplification provisions, although OCD was not consulted on language.

Mr. Cram moved to make the recommendation contemplated in the Sales and Use Tax Uniformity Subcommittee. The motion passed by voice vote.

b. Income and Franchise Tax Subcommittee

Robynn Wilson, Chair of the Uniformity Subcommittee on Income & Franchise Tax, (AK) presented the subcommittee report. The subcommittee first heard reports on Comments provided to the UDITPA Hearing officer and on the Model Statute for Partnership or Pass-Through Entity Income Ultimately Realized by an Entity That Is Not Subject to Income Tax. It then reviewed the MTC Financial Apportionment Rule and agreed to proceed with the project and retain the property factor, but look at an enactment "trigger" in the future. The Subcommittee then heard a presentation on process improvements, with an eye toward targeting the root causes of problems in adoption of the Uniformity Committee models.

V. Roundtable Discussion

The states discussed major items of importance in their states. This year again marked a distinct absence of states complaining about budget woes. Alabama stated they had a major case –Kimberly-Clark involving the sale of a plant. Idaho replaced cost-of-performance sourcing with market based sourcing. In Oregon, the MTC Compact was repealed on October 7th and readopted on October 8th without Articles 3 and 4; Utah and DC did the same. North Dakota adopted a pass-through entity withholding tax similar to the MTC Model. They also repealed their financial institutions tax and now tax financial institutions as regular corporations. HI has a \$400 million suit against online travel intermediaries. Michigan courts are deciding apportionment case; and the legislature is considering adopting a modified gross receipts tax. DC is considering Marketplace Fairness Act type

legislation and developing economic nexus statutes and combined reporting. WA eliminated the telecommunications tax for low income families and the hearing impaired.

VI. New Business

There was no new business.

VII. Adjourn

The meeting adjourned at 4:40 pm Pacific Time.