| Year Adopted by MTC | | | OR | NM | TX | MI | AL | SD | DC | MO | ND | UT | FL | MT | KS | WA |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2001 | Total Yes: 5<br>Total No: 8<br>Inapplicable: 0<br>No Answer: 1 | **Does your state define "gross receipts?"** | Yes | Yes | No | | No; defined in sales tax code 40-23-1 | Yes | No; Not for corp tax purposes. We generally conform to the IRC defn. | No | No | Yes | No | No | No | Yes |
| | Of previous yes answers:<br>Yes: 3<br>No: 1<br>No answer: 1 | Is the language or policy of your provision similar to the MTC language or policy? | Yes | No | | | | | No | | | Yes | | | | Yes; exclusions from Gross Receipts are based on specific statutory exclusions. We use the terms gross proceeds of sale and gross income of the business |
| | | Citation: | OAR 150-314.665(6)(c) | | | | | | | | | Utah Administrative Rule R865-6F-8(1)(h) | | | | RCW 82.04.070 and .080 |
| | | Date of adoption: | 2003 | | | | | | | | | 10/10/2004 | | | | 1930s |
| 2002 | Total Yes: 1<br>Total No: 11<br>Inapplicable: 0<br>No Answer: 2 | **Does your state have a factor presence nexus standard for business activity taxes?** | No | No | No | | No | | No | No | No; trucking company special apportionment regulation only - 12 trips and 25,000 miles - N.D.A.C. Section 81-03-09-37(3)(e) | No | No | No | No | Yes; see 82.04.067 |
| | Of previous yes answers:<br>Yes: 1<br>No: 0<br>No answer: 0 | Is the language or policy of your provision similar to the MTC language or policy? | | | | | | | | | | | | | | Yes; It is specifically modeled after the MTC language |
| | | Citation: | | | | | | | | | | | | | | RCW 82.04.067 |
| | | Date of adoption: | | | | | | | | | | | | | | 06/01/2010 |
| 2003 | Total Yes: 9<br>Total No: 3<br>Inapplicable: 2<br>No answer: 0 | **Does your state have reporting options for non-resident members of pass-through entities with withholding requirement?** | Yes | Yes | We do not have a state income tax. | Yes | Yes | No | No | Yes | Yes | Yes | No | Yes | Pursuant to KSA 79-32,100e, Kansas has a withholding requirement for pass-through entities on nonresident shareholder's/partner's share with an option for the non-resident to file an affidavit with the Department to consent to personal jurisdiction and then not be subject to the withholding requirement. | We do not have an income tax |
| | Of previous yes answers:<br>Yes: 6<br>No: 3<br>No answer: 0 | Is the language or policy of your provision similar to the MTC language or policy? | Yes | No | | No | Yes; done through composite return filed by pass through entity. Mandatory composite returns required from Subchapter K entities beginning 1/1/09. | | | Yes | Yes | Yes; Generally similar in purpose, but there are substantive differences. | | No | Yes; It is substantively similar, although the wording itself is different. | No |
| | | Citation: | ORS 314.781; ORS 314.784; OAR 150-314.781; OAR 150-314.784 | | | | Code of Alabama 1975, Section 40-18-24.2 and rule 810-3-24.2-.01. | | | Section 143.411.4, RSMo 2000 (partnerships) Section 143.471.4, RSMo 2000 (s corporations) | N.D.C.C. Section 57-38-31.1(3)(a) | Utah Code Ann. 59-10-1401 through 1405 | | | K.S.A. 79-32,100e; L. 2003, ch. 147, section 42; L. 2007, ch. 154, section 2 | |
| | | Date of adoption: | 2005 (ORS 314.781; ORS 314.784) 2010 (OAR 150-314.781; OAR 150-314.784) | | | | 01/01/2009 | | | 1993 with amendment in 1997 | 2005 (However, effective for 2014, the statute was amended to also require withholding on owners that are also passthrough entities. Prior to that, it only applied to nonresident individual owners.) | For partnerships, withholding requirement effective for tax years beginning in 2009. For S corporations, Utah has had withholding or tax due on S corporation nonresident shareholder income for many years (since at least the 1980's). | | | 07/01/2003 | |
| 2003 | Total Yes: 12<br>Total No: 1<br>Inapplicable: 1<br>No Answer: 0 | **Does your state have laws regarding federal tax adjustments reporting?** | Yes | Yes | Yes | Yes | Yes | No | Yes | Yes | Yes | Yes | Yes | Yes | Yes; See K.S.A. 79-3230(f) | No income tax |
| | Of previous yes answers:<br>Yes: 5<br>No: 6<br>No answer: 1 | Is the language or policy of your provision similar to the MTC language or policy? | Yes; Oregon law requires the taxpayer to file an amended return with the department due to federal tax adjustments within 90 days. MTC's requirement is 180 days. The department may issue a notice of deficiency within two years following the date the department is notified by the IRS or the taxpayer of the federal changes. In addition, the department may issue a refund within two years following the date the department is notified by the taxpayer of the federal changes. MTC's Regulation provides that State Agency has one year to issue a notice of assessment following the date the State Agency is notified by the IRS or the taxpayer. Also, it provides that the State Agency has one year to issue a refund following the date the State Agency is notified by the taxpayer of the federal changes. | No | No; See Texas Tax Code section 171.212. | | Yes; similar language regarding 1 year statute regarding adjustments and/or refund request due to a RAR. | | No | Yes; Report due within ninety days | No | No; Utah statutes require reporting of federal audit adjustments within 90 days. Utah statutes have other substantive differences from MTC provisions | No | Yes | Yes; There are some similarities and some differences. The 180-day reporting of federal adjustments is similar. The one-year limitations period is different. | No; No income tax |
| | | Citation: | ORS 314.380; ORS 314.410 | | | | Rule 810-3-40-.01 | | DC Code 47-4301(f) | Section 143.601, RSMo 2000 (report due) Section 143.711.4, RSMo 2000 (asmt w/in one year) Section 143.801.4, RSMo 2000 (claim for refund to be filed wihtin one year and ninety days) | N.D.C.C. Sections 57-38-34.4 and 57-38-38(6)(7) and 57-38-40(7); and N.D.A.C. Section 81-03-01.1-09 | UCA 59-7-519 and 59-7-522 | Section 220.23, Fla. Stat. | | K.S.A. 79-3230(f) | |
| | | Date of adoption: | 1957; 1963; 1985; 1989; 1997; 1999; 2001 (ORS 314.380) 1957; 1959; 1963; 1969; 1971; 1977; 1983; 1985; 1993; 1997; 1999; 2001; 2005; 2007 (ORS 314.410) | | | | 06/01/2000 | | | 1972 | n/a for MTC language | Utah's statute has been in place since long before 1980. | 1971 and amended in 1987, 1991, and 2002. | | 07/01/1989 | |
| | Total Yes: 9<br>Total No: 2<br>Inapplicable: 1<br>No Answer: 2 | **Does your state define "Business Income?"** | Yes | Yes | Texas imposes a franchise tax based on apportioned taxable margin. | | Yes | | Yes | Yes | Yes | Yes | No; Florida has a defintion for "No nbusiness income" - see Section 220.03(1)(r), Fla. Stat. | Yes | Yes | No; We define gross income and gross proceeds of sale and business. Tax is only imposed on engaging in business. RCW 82.04.150 |

| Year Adopted by MTC | | | OR | NM | TX | MI | AL | SD | DC | MO | ND | UT | FL | MT | KS | WA |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2003 | Of previous yes answers:<br>Yes: 6<br>No: 3<br>No answer: 0 | Is the language or policy of your provision similar to the MTC language or policy? | Yes | No | No | | Yes | | Yes | Yes; Multistate Tax Compact, Article IV | No; the language is Not similar, but I view the policy as similar. | Yes | | Yes | No; (a) For tax years commencing prior to January 1, 2008, "business income" means income arising from transactions and activity in the regular course of the taxpayer's trade or business and includes income from tangible and intangible property if the acquisition, management, and disposition of the property constitute integral parts of the taxpayer's regular trade or business operations, except that a taxpayer may elect that all income constitutes business income. For tax years commencing after December 31, 2007, "business income" means: (1) Income arising from transactions and activity in the regular course of the taxpayer's trade or business; (2) income arising from transactions and activity involving tangible and intangible property or assets used in the operation of the taxpayer's trade or business; or (3) income of the taxpayer that may be apportioned to this state under the provisions of the Constitution of the United States and laws thereof, except that a taxpayer may elect that all income constitutes business income. Any election made under this subsection shall be effective and irrevocable for the tax year in which the election is made and the following nine tax years and shall be binding on all members of a unitary group of corporations. | |
| | | Citation: | OAR 150-314.610(1)-(A) | | | | Rule 810-27-1-4-.01 | | dc code 47-1801.04(5) | Section 32.200, at. IV, section 1(1), RSMo 2000 | N.D.A.C. Section 81-03-09-03 | Utah Administrative Rule R865-6F-8 | | | KSA 79-3271 | |
| | | Date of adoption: | 2003 | | | | 2003 | | 01/01/2011 | 1967 | n/a for MTC language. | Approximately October 2008 | | | 07/01/2007 | |
| 2004 | Total Yes: 9<br>Total No: 3<br>Inapplicable: 1<br>No Answer: 1 | **Does your state define "Unitary Business?"** | Yes | Yes | Yes | | No | No | Yes | Yes; By case law | Yes | Yes | No | Yes | Yes | No; We are a separate entity state |
| | Of previous yes answers:<br>Yes: 5<br>No: 4 *(one state's definition is based on case law rather than on MTC language)*<br>No answer: 0 | Is the language or policy of your provision similar to the MTC language or policy? | Yes | No | No; See Comptroller Rule 3.590 | | | | Yes; however, DC excludes the language in the MTC defn which references business conducted by partnership. | No; referred to in case law: Maxland Development Corp. v. Director of Revenue, 960 S.W.2d 503, 505 (Mo. 1998) | No; the language is Not similar, but I view the policy as similar. | Yes; generally embodied in Utah Administrative Rule R865-6F-8. Statutory definition in Utah Code Ann. 59-7-101(30) | | Yes | Yes; The Kansas Supreme Court in Pioneer Container Corp. v. Beshears, 235 Kan. 745, 684 P.2d 396 (1984), has described a unitary business as follows: • The concept of a unitary business arises when a corporation has one or more subsidiaries or divisions which are dependent upon, or contribute to the parent corporation or other subsidiaries or divisions so, in essence, constitute a homogenous enterprise. When such an entity exists it may be described as a unitary business and in determining the tax liability of the given subsidiary or division the taxing authority may consider the entire income of the unitary business and apportion taxes on the basis of the income attributable within the jurisdiction. • A multi-state business is a unitary business for income tax purposes when the operations conducted in one state benefit and are benefited by the operations conducted in another state or states. • The essential test to be applied is whether or not the operation of the portion of the business within the state is dependent upon or contributory to the operation of the business outside the state. If there is such a relationship, the business is unitary. Any of the following circumstances would satisfy the "contribution/dependency" test and establish a unitary business: 1. Horizontal integration--all business activities are in the same general line (such as a chain of retail stores), along with centralized management, achieving economies of scale; 2. Vertical integration--entities engage in different interdependent steps of a process (such as a petroleum business involved in oil exploration, refining, and motor fuel marketing/retailing); 3. Centralized management and functional integration--interlocking directors and upper management, parental approval of subsidiary decisions, centralized purchasing, advertising, accounting, financing, etc. | |
| | | Citation: | OAR 150-317.705(3)(a) | | | | | | 47-1801.04(55) | | N.D.A.C. Section 81-03-05.3-01 | See above | | | Pioneer Container Corp. v. Beshears, 235 Kan. 745, 684 P.2d 396 (1984) | |
| | | Date of adoption: | 2007 | | | | | | 01/01/2011 | | n/a for MTC language | The Administrative Rule provisions were adopted in approximately October 2008 | | | | |
| | Total Yes: 6<br>Total No: 6<br>Inapplicable: 1<br>No Answer: 1 | **Does your state require combined reporting?** | No | No | Yes | | No | No | Yes | No | Yes | Yes | No | Yes | Yes | We prohibit combined reporting |

| Year Adopted by MTC | | | OR | NM | TX | MI | AL | SD | DC | MO | ND | UT | FL | MT | KS | WA |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2006; revised 2011 | Of previous Yes answers:<br>Yes: 2<br>No: 4<br>No Answer: 0 | Is the language or policy of your provision similar to the MTC language or policy? | | | No; see Comptroller Rule 3.590. | | | | Yes | | No; the language is Not similar, but I view the policy as similar. | No; Utah's combined reporting statute has similarities as well as differences with the MTC language. | | Yes; the language is generally close but there are areas that are quite a bit different | No; When two or more corporations are engaged in a multi-state unitary business, K.S.A. 79-32,141 authorizes utilization of the combined report method for determining the Kansas income tax due. In describing this reporting method, our corporate income tax instructions provide: When a group of corporations conduct a unitary business both within and outside of Kansas, the source of income shall be determined by the combined income approach. The combined income approach is the computation by formula apportionment of the business income of a unitary trade or business properly reportable to Kanas by members of a unitary group. The property, payroll, or sales factor for each member of a unitary business shall be determined by dividing the property, payroll, or sales figure for Kansas by the total property, payroll, or sales figure of the entire group. The average is multiplied by the income of the unitary group to determine the income of the company derived from sources in Kansas. | No |
| | | Citation: | | | | | | | Various citations but generally, dc code 47-1805.02a | | N.D.A.C. Section 81-03-05.3 | Utah Code Ann. 59-7-401 to 59-7-405 | | | KSA 79-32,141 See also KAR 92-12-110 | |
| | | Date of adoption: | | | | | | | | | n/a for MTC language | Current statute adopted for tax years beginning in 1994. | | | KSA 79-32,141 adopted in1967. KAR 92-12-110 adopted in 1987 | |
| 2006 | Total Yes: 3<br>Total No: 9<br>Inapplicable: 1<br>No Answer: 1 | **Does your state require disclosure of reportable transactions?** | Yes | No | Not applicable to the Texas franchise tax. | | Yes | No | No | No | No | Yes | No | No | No | No |
| | Of previous Yes answers:<br>Yes: 0<br>No: 3<br>No Answer: 0 | Is the language or policy of your provision similar to the MTC language or policy? | No | | No | | No; No language in code or rule | | | | | No | | | | |
| | | Citation: | ORS 314.307; ORS 314.308; OAR 150-314.308 | | | | | | | | | Utah Administrative Rule R865-9I-53 | | | | |
| | | Date of adoption: | 2007 | | | | | | | | | Approximately October 2006 | | | | |
| 2007 | Total Yes: 5<br>Total No: 7<br>Inapplicable: 1<br>No Answer: 1 | **Does your state take into account income producing activity performed "on behalf of" the taxpayer in determining sales factor numerator sourcing for receipts from transactions other than sales of tangible personal property?** | Yes | Yes | Not applicable to the Texas franchise tax. | | Yes. Beginning with tax year ending 12/31/10, receipts from transactions other than tangible personal property. | No | Yes | No | No | No | No | No | No | Yes |
| | Of previous Yes answers:<br>Yes: 1<br>No: 3<br>No Answer: 1 | Is the language or policy of your provision similar to the MTC language or policy? | No | | No | | No; Language was similar to MTC language regarding cost of performance. However, effective for tax years 12/31/10 and after, sales of services/intangibles are sourced using market based sourcing. | | Yes | | | | | | | No; receipts are attributed based on where the customer receives the benefit of the service. It is irrelevant if a subcontractor is involved. |
| | | Citation: | OAR 150-314.665(4) | | | | Code of AL section 40-27-1. Rule 810-27-1-4-.17.01 AND 810-27-1-4-.09.0 for periods ending 12/31/10 and after. Rule 810-27-1-4-.17 prior to 12/31/10. | | | | | | | | | RCW 82.04.067 and 82.04.462 |
| | | Date of adoption: | 2008 | | | | 12/31/2010 | | | | | | | | | 06/01/2010 |
| 2008 | Total Yes: 3<br>Total No: 9<br>Inapplicable: 1<br>No Answer: 1 | **Does your state have a special rule for telecommunications and ancillary service providers' apportionment?** | No | No | Not applicable to the Texas franchise tax. | | No | No | No | No | No | Yes | No | Yes | Yes | No |
| | Of previous Yes answers:<br>Yes: 1<br>No: 2<br>No Answer: 0 | Is the language or policy of your provision similar to the MTC language or policy? | | | No | | Yes | | | | | No; Utah had adopted its telecommunications rule years before the MTC made its recommendation. Generally, the rule attributes revenues to Utah based on a market approach similar to the MTC rule | | Yes | No; (3) At the election of a qualifying telecommunications company, by multiplying the business income by a fraction, the numerator of which is the information carrying capacity of wire and fiber optic cable available for use in this state, and the deNo minator of which is the information carrying capacity of wire and fiber optic cable available for use everywhere during the tax year. (A) For purposes of this subsection (b)(3), a qualifying telecommunications company is a telecommunications company that is a qualifying taxpayer under paragraph (A) of subsection (b)(2). (B) A qualifying telecommunications company shall make the election under this subsection (b)(3) in the same manner as provided under paragraph (B) of subsection (b)(2). | |
| | | Citation: | | | | | | | | | | Utah Administrative Rule R865-6F-33 | | | KSA 79-32,79(a)(3) | |
| | | Date of adoption: | | | | | | | | | | Effective in 1999. | | | 1991, L. 1991, Ch 283, Section 2 | |
| | Total Yes: 3<br>Total No: 7<br>Inapplicable: 1<br>No Answer: 1<br>*2 other states had unrelated provisions that have the same effect* | **Does your state disallow the dividend paid deduction for captive REITs?** | For tax years beginning on or after 1/1/2010 REITs are required to be included in the Oregon return and therefore the transaction would be eliminated. | No | Not applicable to the Texas franchise tax. | | Yes; required to add the federal Dividends Paid Deduction back to the federal taxable income in computing Alabama taxable income. | No | Yes | No | Yes, but only to the extent the dividend income has remained in the apportionable tax base. Most commonly, the dividend received and the dividend paid deduction are both eliminated when intercompany transactions are eliminated. | No; Utah's law combines a captive REIT with its owner having the same impact as if disallowing the dividends paid deduction for captive REITs. | No | No | No | We allow a deduction for amounts derived from investments and dividends, etc from subsidiaries without reference ro REITs. |

| Year Adopted by MTC | | | OR | NM | TX | MI | AL | SD | DC | MO | ND | UT | FL | MT | KS | WA |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2008 | Of previous Yes answers:<br>Yes: 2<br>*2 other states had unrelated provisions with the same effect, not based on MTC language. One state has no applicable language but follows the MTC guidelines.*<br>No Answer: 0 | Is the language or policy of your provision similar to the MTC language or policy? | No; For tax years prior to 1/1/2010 dividend paid deduction is Not allowed if such dividend is Not treated as a dividend under section 243(d) or 965(c)(3) of the Internal Revenue Code. ORS 317.267 and OAR 150-317.267-(B) | | No | | Yes | | We have no language in our statutes but follow the MTC guidelines. | | Yes | | | | | No |
| | | Citation: | ORS 317.710(5)(d) | | | | Code of AL 40-18-35 - restrictions on the deductibility of captive REIT dividends. 40-18-1 defines captive REIT. | | | | N.D.C.C. Section 57-38-01.3(1)(l) | | | | | |
| | | Date of adoption: | 2005 | | | | Effective for tax years beginning after 12/31/06 | | | | Effective for tax years beginning after 12/31/08 | | | | | |