



MULTISTATE TAX COMMISSION

To: Members, Executive Committee

From: Frank Hales, Audit Committee Chair
Lee Baerlocher, Vice Chair

Date: October 31, 2015

Subject: Report of the Audit Committee

The audit committee met in Spokane, Washington on July 27, 2015. This is the only meeting of the committee in fiscal year 2016. There were 52 members, guests and staff present during the public session and 42 members and staff present during the closed session of the meeting. There were no members of the public present at the public session and there were 38 individuals representing 21 audit program states present during the closed session of the meeting.

The audit committee reviewed the status of all the audits in progress. A discussion was held on 6 income tax and 8 sales tax audits that had significant issues. This discussion included taxpayer refusal to sign waivers and to cooperate with MTC audit requests.

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