



RESOLUTION 2022A

**Recommending that States that Adopt
the Statement of Information Concerning Practices of the Multistate Tax Commission
and Supporting States Under Public Law 86-272
also Adopt the Model Factor Presence Nexus Standard for Business Activity Taxes**

WHEREAS, on October 17, 2002, the Commission approved for recommendation to the states the adoption of the Model Factor Presence Nexus Standard for Business Activity Taxes by States (the Model Factor Presence Standard); and

WHEREAS, on August 4, 2021, the Multistate Tax Commission (Commission) approved for recommendation to the states for their adoption the revised Statement of Information Concerning Practices of the Multistate Tax Commission and Signatory States Under Public Law 86-272 (the Revised Statement); and

WHEREAS, P.L. 86-272, which was enacted more than 60 years ago, fails to shield many businesses from income tax payment and filing responsibilities imposed on them by states where their customers are located but where they have minimal presence; and

WHEREAS, the Commission continues to support adoption by states of the Model Factor Presence Standard as a means of reducing the burdens of multistate tax compliance on businesses with minimal presence in states and also of reducing unnecessary burdens on state revenue departments;

now therefore be it

RESOLVED, that the Commission hereby recommends that states adopting the Revised Statement also adopt the Model Factor Presence Standard, by vote taken in accordance with its Bylaws,

As attested this day, August 3rd of 2022, at the meeting of the Commission.

Gregory S. Matson,
Executive Director
Multistate Tax Commission