



## Minutes of Executive Committee Teleconference

**Thursday, July 30, 2020**

2:00 p.m. Eastern Time

### I. Welcome and Introductions

Chair Keith Richardson, District of Columbia, convened the meeting at 2 p.m. The presence of a quorum was confirmed. The following people attended the meeting:

Matt Tidwell	Alabama Department of Revenue
Mahoney, Lucinda M	Alaska Department of Revenue
Deanna Munds-Smith	Arkansas Department of Revenue
Laurie McElhatton	California Franchise Tax Board
Matt Samuelson	Colorado Department of Revenue
Brendon Reese	Colorado Department of Revenue
Jennifer Hudson	Delaware Division of Revenue
Keith Richardson	District of Columbia Office of Tax and Revenue
Alan Levine	District of Columbia Office of Tax and Revenue
Andrew Reiter	District of Columbia Office of Tax and Revenue
Phil Skinner	Idaho Office of Attorney General
Tom Shaner	Idaho State Tax Commission
Lawrence Molnar	Indiana Department of Revenue
Michael Hale	Kansas Department of Revenue
Kristal Bolton	Louisiana Department of Revenue
Maria Sanders	Missouri Department of Revenue
Keith Broussard	Montana Department of Revenue
Shauna Helfert	Montana Department of Revenue
Lear, Carolynn	New Hampshire Department of Revenue Admin
John Ficara	New Jersey Division of Taxation
Emily Oster	New Mexico Taxation & Revenue Department
Mathew Pereyl	North Dakota Office of State Tax Commissioner
Joseph Royston	Oregon Department of Revenue
Katie Lolley	Oregon Department of Revenue
Karey Barton	Texas Comptroller of Public Accounts
Frank Hales	Utah State Tax Commission
Clark Snelson	Utah State Tax Commission

John Valentine	Utah State Tax Commission
Gil Brewer	Washington Department of Revenue
Matt Largent	Washington Department of Revenue
Beth Sosidka	A T & T
Jessie Eisenmenger	Amazon
Trip Baltz	Bloomberg
Fenwick, Jamie S	Charter Communications
Nikki Dobay	Council on State Taxation
Karl Frieden	Council on State Taxation
Virgil Helton	FAST Enterprises
Will Rice	FAST Enterprises
John Vecchiarelli	Gen Tax
Maria Koklanaris	Law360
Paul Williams	Law360
Phil Horwitz	Moss Adams
Scott Pattison	Multistate Tax Commission
Nancy Prosser	Multistate Tax Commission
Chris Barber	Multistate Tax Commission
Richard Cram	Multistate Tax Commission
Lila Disque	Multistate Tax Commission
Wanda Dorsey-Jenkins	Multistate Tax Commission
Bruce Fort	Multistate Tax Commission
Helen Hecht	Multistate Tax Commission
Holly Coon	Multistate Tax Commission
Brian Hamer	Multistate Tax Commission
Gregory Matson	Multistate Tax Commission
Thomas Shimkin	Multistate Tax Commission
William Six	Multistate Tax Commission
Sherry Tiggett	Multistate Tax Commission
Loretta King	Multistate Tax Commission
Sabrina Worthington	Multistate Tax Commission
Christie Comanita	Streamlined Sales Tax Governing Board
Amy Hamilton	Tax Analysts
Andrew Soubel	Wolters Kluwer

## **II. Initial Public Comment Period**

Nikki Dobay, Council on State Taxation (“COST”), stated that she wished to express her appreciation regarding Helen Hecht’s efforts on the state false claims act resolution which appeared on the Executive Committee’s agenda. Ms. Dobay also stated that she would be happy to assist further on this matter.

Beth Sosidca, A T & T, stated that she echoed Ms. Dobay’s comments.

Jamie Fenwick, Charter Communications, stated that she appreciated the MTC’s work on the resolution and expressed her support for the resolution.

## **III. Approval of Minutes of Executive Committee Teleconference Meetings on April 23, June 24, and July 15, 2020**

John Valentine, Utah, moved for approval of the minutes of these meetings. The motion passed by roll call vote with 14 in favor, no objections, and no abstentions.

## **IV. Report of the Chair**

The Chair welcomed Lucinda Mahoney of Alaska as the new Vice Chair of the Committee and Jennifer Hudson of Delaware as a new member of the Committee.

## **V. Report of the Executive Director**

Mr. Matson presented the financial statements relating to the year ending June 30, 2020. He noted the Commission’s positive fiscal position compared to budget, due primarily to various staff vacancies for all or a part of the year, Boise conference costs being under the budgeted amount, investment income higher than anticipated, and Maryland joining the Audit Program after the budget was approved. These items offset deficits relating to Nexus Program software upgrades relating to the voluntary disclosure database and also to training program costs. He noted that travel costs were lower than expected due to the pandemic.

Brendon Reese, Colorado, moved to approve the financial report. The motion passed by roll call vote with 15 in favor, no objections, and no abstentions.

Mr. Matson reported that Georgia had dropped out as a sovereignty member for the upcoming year due to state budget concerns.

## **VI. Committee Reports**

### **A. Strategic Planning Committee**

Committee Chair John Ficara, New Jersey, reported that the Committee had met that morning. He stated that a working group had been created to address the MTC’s training program with

the goal of recommending a plan at the Committee's November meeting. The Committee might also address tax policy concerns relating to the shift to remote working.

**B. Uniformity Committee**

Ms. Hecht, Uniformity Counsel, introduced the draft Finnigan combined filing option model. She noted that, if approved, this model would serve as an alternative to (not a replacement of) the Joyce model which has been in place since 2006. She stated that Bruce Fort, who had served as hearing officer at the public hearing on the proposed model, would present his report to the Executive Committee, that Executive Committee members were encouraged to ask questions, and that the Committee had plenary authority over the proposal and how to proceed.

Mr. Fort thereupon presented his report and recommendations, described the Joyce and Finnigan rules, provided a brief history of the two rules, and summarized the efforts of the Finnigan work group. He also noted that two comments were tendered, both by COST. Although these comments did not cause him to recommend changes to the proposed model, he did recommend that drafter's notes be added to the model.

Michael Hale, Kansas, moved that the model be approved for a bylaw 7 survey. The motion passed by a roll call vote with 12 in favor, no objections, and 3 abstentions.

Ms. Hecht then briefly described the contents and background of the proposed resolution relating to state false claims acts. The resolution would encourage states (1) to consider adopting the ABA Model Transaction Tax Overpayment Act and (2) to consider a whistleblower statute similar to the federal whistleblower statute instead of removing the tax bar from state false claims act statutes.

Nikki Dobay, COST, expressed her support for the resolution. Gil Brewer, Washington State, raised the idea of adding a provision proposing that revenue agencies be given additional resources to administer the tax laws. After some additional discussion, it was suggested that the clause "and that state tax enforcement agencies be properly funded" be added to the final Whereas clause in the resolution.

Mr. Brewer moved that the proposed resolution, with this additional language, be adopted. The motion passed by a roll call vote with 12 in favor, no objections, and 3 abstentions.

**VII. Upcoming Meetings & Events**

Mr. Matson stated that the upcoming fall meetings planned for Albuquerque would be converted to virtual meetings and that Albuquerque would serve as the venue for the fall meetings in 2021. He also expressed the hope that the spring meetings would be held in-person in Alexandria, Virginia and stated that the 54<sup>th</sup> Annual Conference was set for Anchorage, Alaska in early August 2021.

Finally, Mr. Matson noted that the public hearing on revisions to the MTC's Statement of Information regarding P.L. 86-272 would be held the following week.

**VIII. Adjournment**

There was no further business. Karey Barton, Texas, moved for adjournment. There were no objections and the meeting adjourned.