



MEMORANDUM

To: Multistate Tax Commission Uniformity Committee [DRAFT]
From: Helen Hecht, General Counsel
Regarding: Minutes – Meeting of August 9, 2016 (By Phone)
Date: August 10, 2016

A meeting of the Uniformity Committee was held by phone on August 9, 2016 for the purpose of drafting changes to the draft model amendments to the General Allocation and Apportionment Regulations for the purpose of clarifying that interest and dividends are not included in receipts under Sec. 1 or Sec. 17 (following approval of this approach by the Executive Committee at its July 28, 2016 meeting).

Attendees (those who identified themselves):

Wood Miller, MO DOR (Chair)
Chris Coffman, WA DOR (Vice Chair)
Michael Fatale, MA DOR
Alysse McLoughlin, McDermott Will & Emery
Joe Huddleston, E&Y
John Seibert, NC DOR
Holly Coon, Alabama
Karen Boucher, FIST Coalition
Helen Hecht, MTC
Bruce Fort, MTC
Sheldon Laskin, MTC
Lila Disque, MTC
Sarah Archer, PWC
Phil Skinner, ID DOR
Steve Wynn, ID DOR
Jeff Henderson, OR DOR
Dave Hesford, WA DOR

Wood Miller, Chair, asked for initial public comment.

The Chair asked for approval of the minutes of the July 26, 2018 in person meeting. Those minutes were approved with one minor correction.



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The Committee then discussed changes to the draft amendments to reflect the Committee's recommendation, as accepted by the Executive Committee, that the exclusion of dividends and interest under Article IV, Sections 1 and 17 be clarified. After discussion, the changes in the attached draft were approved.

The Committee agreed that these changes would be circulated in draft form and a follow up meeting scheduled for August 23, 2016 in the event it might be needed for further discussion. The Chair instructed staff to request that Committee members respond to the notice of the meeting as to whether they believed a meeting was necessary and do so at least a day prior to the meeting. If no members respond that a meeting is necessary, the Chair instructed staff to finalize the draft for referral back the Executive Committee.

Helen Hecht, MTC, also reported that the Executive Committee at its July 28, 2016 meeting had instructed the Commission staff to do further analysis of the feasibility of the proposal by the American Bar Association Tax Section that the Section 17 regulations include an agreement by states to participate in nonbinding mediation where a taxpayer is subject to attributing receipts to multiple states. Ms. Hecht noted that states having information useful for this analysis are encouraged to share it with MTC staff. Holly Coon, Alabama, commented that the ABA proposal was the same as a regulation adopted by her state and that no taxpayer had yet asked for mediation under that regulation. She also noted that Louisiana had adopted a similar provision by statute.