



MULTISTATE TAX COMMISSION

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To: Executive Committee  
From: Bryan Kelly, Nexus Committee Chair  
Re: Nexus Committee Activities in 1<sup>st</sup> Q, FY 2023  
Date: November 17, 2022

### **Nexus Committee Report for 1<sup>st</sup> Q, FY 2023**

The Nexus Program results for 1<sup>st</sup> Quarter, FY 2023 (July 1, 2022 through September 30, 2022) are provided below.

- Nexus states' collections: \$4,847,117 (\$28,337,506 FY 2022)
- Nexus states' executed agreements: 88 (493 FY 2022)
- Nexus states' average contract value: \$55,081 (\$57,480 FY 2022)

The above amounts include checks received by the Commission or amounts paid by the taxpayer directly to the states and reported to the Commission. Interest on back tax paid and the value of a new taxpayer are not included. The Commission received applications from 192 taxpayers in calendar year 2021. For calendar year 2022 to date (as of October 31, 2022), 136 taxpayers have so far applied. Most of the applications are based on sales/use tax economic nexus.

The Nexus Committee met in person on August 1, 2022 in Anchorage, Alaska, on November 16, 2022 in Little Rock, Arkansas.

The Committee considered at the August 1, 2022 meeting: Clinton Singletary, Program Director, Alaska Remote Sellers Sales Tax Commission (ARSSTC), provided an overview of the ARSSTC, which was established after *Wayfair* to allow local governments in Alaska that have imposed local sales taxes to join the ARSSTC in order establish sales tax economic nexus pursuant to its provisions for centralized administration. Richard Cram presented an explanation of cryptocurrency and identified tax guidance concerning cryptocurrency that the IRS and a few states have published. Norm Hannawa, Chainalysis, gave a presentation on information publicly

available on cryptocurrency transactions and audit techniques that can be used to glean data from that information useful for tax compliance purposes. The Committee completed its annual review of the Nexus Program Charter. The meeting was well attended with 44 in-person attendees and 55 virtual attendees.