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**From:** Fatale, Michael T. <fatale@dor.state.ma.us>  
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**Subject:** Revised professional services example

As promised...

Example 10. Same facts as Example 9, except that Bank Corp has more than 250 customers, individual or business. Bank Corp may apply the safe harbor for professional services stated in 830 CMR 63.38.1(9)(d)4.d.iii(A)3, and may assign its sales to a state or states using each customer's billing address. Assume that Bank Corp knows the customer's billing address for a substantial portion, but not all, of its sales. For the remainder of its sales, Bank Corp reasonably believes, based on all available information, that the geographic distribution of such sales generally tracks those sales for which it has the customer's billing address. Bank Corp must assign to Massachusetts the sales for which it does not know the customer's billing address in the same proportion as those sales for which it has this information. If Bank Corp is not taxable in one or more states to which some of its sales would be assigned, it must exclude the sales that would be assigned to those states from the numerator and denominator of its sales factor. See 830 CMR 63.38.1(9)(d)4.d.iii, iii(C); 830 CMR 63.38.1(9)(d)1.e.ii, f.ii.

Let me know your thoughts.

Michael