



Report of the Uniformity Committee

Maria Sanders (Missouri), Chair

To the Multistate Tax Commission Wednesday, August 3, 2022

Sheraton Anchorage Hotel
401 East 6th Avenue
Anchorage, Alaska

This report summarizes the status of uniformity projects as of July 1, 2022. Developments from the August 2, 2022 meeting of the committee will be reported orally by the chair.

Current Uniformity Projects

State Taxation of Partnerships

In April, 2021, the committee approved an income tax project to address partnership income. It set up a work group chaired by Laurie McElhatton (California), who is also the Vice Chair of the Uniformity Committee. Two-dozen states regularly participate in that work group, which meets bi-weekly. In the last year, it has published a comprehensive issue outline, a white paper on investment partnerships, and a draft model for sourcing of investment partnership income. To support the work on the project, MTC staff also prepared a basic training course on federal taxation of partnerships. Information on this project can be found on the project webpage, here: <https://www.mtc.gov/Uniformity/Project-Teams/Partnership-Tax>.

Sales Taxation of Digital Products

At its July 28, 2021 meeting, the committee approved a sales tax project to draft a white paper recommending the best approach for taxing digital products. The committee asked MTC to staff to conduct stakeholder interviews and prepare a detailed outline of the white paper. This work was recently completed. Gil Brewer (Washington) will chair a work group which will complete the white paper. Information on this project can be found on the project webpage, here: <https://www.mtc.gov/Uniformity/Project-Teams/Sales-Tax-on-Digital-Products>.

Other Committee Work

The Standing Subcommittee is using its monthly meetings to conduct a review of MTC model sales/receipts sourcing regulations. The subcommittee is chaired by Laurie McElhatton (California) and consists of the following state representatives: Maria Sanders, Missouri; Gilbert Brewer, Washington; Michael Hale, Kansas; Michael Fatale, Massachusetts; Ray Langenberg, Texas; Ashley McGhee, North Carolina; Josh Pens, Colorado; Phil Skinner, Idaho; Dee Wald, North Dakota.

The committee also received a request from the public to consider a uniform power of attorney to be adopted by the states, to simplify the necessary work of certified service providers, intermediaries, and other taxpayer representatives.