

MTC Arm's-Length Adjustment Service Committee
Description and Work Outline for April through October 2016
April 4, 2016

The long-term purpose of the MTC Arm's-Length Adjustment Service (ALAS) Committee is to provide effective guidance to that service and a means of communications among the participating states and the Commission. The committee will operate in accordance with the Multistate Tax Compact, the MTC Bylaws and Public Participation Policy, and policies of and guidance from the MTC Executive Committee.

The members of the ALAS Committee during the time before the launch of ALAS will be designees of state tax administrators who have notified the MTC Executive Director that their state intends to participate in ALAS once it is operational. When tax administrators from additional states notify the MTC of their intent to participate in ALAS, they will designate new members of the committee. Once formally launched, the members of the committee will be the designated representatives of states entering into the agreement with the MTC to participate in ALAS. Each state will have an equal, single vote on the committee.

In the immediate period from April through October 2016, the ALAS Committee will assist the MTC in preparing for the operation of the Arm's-Length Adjustment Service. Activities may include:

1. Recommending changes, if any, in the ALAS Program Design and the Draft Model ALAS Participation Agreement to the MTC Executive Committee or Executive Director as appropriate.
2. Advising on the development of an agreement for the exchange of confidential taxpayer information among participating states and the MTC.
3. Undertaking selected early implementation steps, such as training for state staff, exchange of information and discussion of pending taxpayer cases to help inform the effective implementation of ALAS.
4. Advising on key implementation steps for ALAS, including but not limited to:
 - a. A draft statement of mission, goals, objectives and performance measures,
 - b. A draft request for proposals from consulting firms to provide economic analysis services to ALAS, and
 - c. Draft position descriptions and recruiting announcements for ALAS staff.
5. Supporting the MTC in its communications with states considering participation in ALAS,
6. Initiating preliminary discussions of policies and practices for the conduct of the voluntary disclosure process for taxpayers, and
7. Such other tasks as will assist in recruiting states and implementing the Arm's-Length Adjustment Service.