



MULTISTATE TAX COMMISSION

444 North Capitol St., NW
Suite 425
Washington, DC 20001-1538
Telephone: 202.650.0300

www.mtc.gov

National Nexus Program (NNP) Director's Report for FY 2021 July 27, 2021

Multistate Voluntary Disclosure Program (MVDP)

The Nexus Program FY 2021 results (July 1, 2020 through June 30, 2021) are provided below.

- Nexus states' collections: \$20,269,587 (\$21,551,287 FY 2020)
- Nexus states' executed agreements: 411 (544 FY 2020)
- Nexus states' average contract value: \$49,318 (FY 2020: \$39,616)

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. Applications continue to increase in the post-*Wayfair* era above what they were before that decision. The Commission received applications from 296 taxpayers in calendar year 2020. So far this calendar year 2021 (as of June 30, 2021), 118 taxpayers have applied. Most of the applications continue to be based on sales tax economic nexus.

Membership

We welcome Delaware back to the National Nexus Program, effective July 1, 2021. There are currently thirty-nine participating states (including the District of Columbia) in the NNP. Commission staff continues to reach out to non-member states.

Outreach

In FY 2021, Richard participated in the following outreach events:

co-panelist in webinar presentation on marketplace facilitator tax collection laws in Georgetown Law School Advanced State and Local Tax Institute, August 13, 2020;

presented webinar on MyCPE.com on sales tax economic nexus, marketplace facilitator tax collection laws, and MTC Multistate Voluntary Disclosure Program on September 16, 2020;

presented webinar on CPAAcademy.com on sales tax economic nexus, marketplace facilitator collection laws, and MTC Multistate Voluntary Disclosure Program on October 6, 2020;

co-panelist with Brian Hamer and others at virtual Annual NASBTS Tax Conference on October 22, 2020, providing update on sales tax economic nexus and marketplace facilitator tax collection laws;

co-panelist with Nancy Prosser at Alaska Municipal League Annual Meeting (virtual) on November 10, 2020, providing update on sales tax economic nexus and marketplace facilitator tax collection laws, as well as MTC activities in those areas;

co-panelist with Glen Newman at virtual NJCPA Society Multistate Tax Conference on November 17, 2020, to provide update on multistate tax issues;

presented webinar on teleworker nexus issues at Southern Legislative Conference, Fiscal Affairs & Governmental Operations Committee virtual meeting on March 31, 2021;

provided update with Nancy Prosser and Helen Hecht on MTC programs to AICPA State and Local Tax Technical Resource Panel virtual meeting on June 23, 2021.

Richard published the following article: "Illinois Partial Merger of Sales and Use Tax: Partly a Good Idea," *Tax Notes State*, December 14, 2020, p. 1143.

Staff continues to urge states to put a link to the NNP on their voluntary disclosure web pages.

Nexus School

No Nexus Schools are currently scheduled. Please let a member of the Commission staff know if your state would like to host a Nexus School.

Amnesties

The NNP posts on its web page a list of upcoming and current state tax amnesties. Please inform NNP staff if you would like the Commission to post your state's amnesty.

Staffing

The Nexus Program presently has four permanent full-time staff members: Richard Cram, Director, Diane Simon-Queen, Voluntary Disclosure Program Manager, Michelle Lewis, Paralegal, and James Lee, Program Specialist.

Nexus Program staff is currently implementing a new software system that should make our processing of voluntary disclosure applications much more efficient. Our goal is for all applications to be received online, instead of some coming in online and others submitted in pdf form, due to difficulties with submitting online.

Richard Cram, Director, National Nexus Program