



MULTISTATE TAX COMMISSION

To:	Chair and Members of the Commission
From:	Joe Huddleston, Executive Director
Date:	July 30, 2014
Subject:	2014 Statement of Application to Legislative Activity of the 113 th Congress

The Commission has interpreted the application of Policy Statements 2002-02, 2003-01 and 03-2011 to specific proposed federal legislation introduced in the 113th Congress as follows:

Mobile Workforce State Income Tax and Simplification Act of 2013 (H.R.1129)

The Commission, in accordance with Policy Statements 2003-01 and 2002-02, opposes the Mobile Workforce State Income Tax and Simplification Act of 2013, especially those provisions that are an unwarranted intrusion into the authority of states to determine which individuals are subject to income tax and that undermine the principles of economic presence, which have been upheld by numerous courts.

This Statement of Application will expire at the close of session of the 113th Congress.

Permanent Internet Tax Freedom Act of 2013 (S. 31, H.R. 434)

The Commission, in accordance with Policy Statement 2003-01, opposes the Permanent Internet Tax Freedom Act of 2013 insofar as this bill is an unwarranted preemption of state authority. The Act makes permanent the current moratorium on state and local taxes on Internet access, and further repeals the “grandfather clauses” protecting certain pre-existing taxes. The Multistate Tax Commission respectfully urges Congress to honor its commitment to the States and revisit the issue at the expiration of the current moratorium in 2014.

This Statement of Application will expire at the close of session of the 113th Congress.

Marketplace Fairness Act (S. 743, H.R. 684)

The Commission, in accordance with Policy Statement 2002-01, supports state efforts to pursue through negotiation, state legislation and enforcement, the courts and federal legislation, provisions that would require large, out-of-state sellers to collect state sales and use taxes from their customers.

This Statement of Application will expire at the close of session of the 113th Congress.

Business Activity Tax Simplification Act of 2013 (H.R. 2992)

The Commission, in accordance Policy Statement 2003-01 and 2002-02, opposes H.R. 2992, the Business Activity Tax Simplification Act of 2013 (BATSA) as an unwarranted corruption of U.S. federalism that undermines a state's authority to impose constitutionally permissible business activity taxes.

This Statement of Application will expire at the close of session of the 113th Congress.

Industry-Specific State Tax Preemptions

The Commission, in accordance with Policy Statement 2003-01, 2002-01 and 2002-02, opposes industry-specific, federal preemption of state taxing authority. The Commission is uniquely situated to promote collaboration among government and private stakeholders in developing uniform statutes and regulations addressing the same issues that such preemptive legislation seeks to address. In this Congress, legislation has been introduced to preempt state tax authority over automobile rentals (H.R. 2543), digital goods (S. 1364/H.R. 3724), cell phones (S. 1235/H.R. 2309), ammunition and firearms (H.R. 2361), telecommuting (H.R. 4085) and natural gas pipelines (H.R. 2877).

This Statement of Application will expire at the close of session of the 113th Congress.