



MULTISTATE TAX COMMISSION

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National Nexus Program (NNP) Director's Report for FY 2023 July 24, 2023

Multistate Voluntary Disclosure Program (MVDP)

The Nexus Program results for FY 2023 (July 1, 2022 through June 30, 2023) are provided below.

- Nexus states' collections: \$25,846,276 (FY 2022: \$28,337,506)
- Nexus states' executed agreements: 391 (FY 2022: 493)
- Nexus states' average contract value: \$66,103 (FY 2022: \$57,480)

The above includes amounts paid by the taxpayer directly to the states and reported to the Commission. The Commission received applications from 161 taxpayers in calendar year 2022. So far this calendar year 2023 (as of June 30, 2023), 99 taxpayers have submitted applications. Most of the applications continue to be based on sales tax economic nexus.

Membership

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

During FY 2023, Richard participated in the following outreach events:

co-panelist at Paul J. Hartman SALT Forum in Nashville, TN on October 21, 2022 with Joe Garrett and Zachary Atkins in a session entitled: "Market Sourcing and Factor Presence Nexus Trends;"

panelist at Illinois CPA Society virtual conference on December 7, 2022 for “Advanced Topics on Flow-Through Taxation” with Ralph Nach entitled “Pass-Through Entity Taxes;” roundtable discussion panel with Matthew Vertin, Sharif Ford, Jim Eisenmenger, Danny Torello, Jon Sniegowski and Elizabeth Herbst;

panelist at NYU SALT Institute in New York City on December 12, 2022 with Michele Borens and Matt Hedstrom in a presentation entitled “Super-marketplace sales tax issues;”

panelist at DC Bar SALT Group on April 20, 2023 with Greg Matson and Nancy Prosser in virtual presentation to provide an overview of the Multistate Tax Commission, including the National Nexus Program; and

panelist with Charlie Kearns, Eversheds Sutherland and Andrew Wilford, National Taxpayers Union Federation on the topic of taxation of remote workers at the Tax Academy, Institute for State Policy Leaders, Arlington, VA on June 23, 2023;

Richard published an article entitled “Marketplace Seller Inventory: Purposeful Availment Aplenty” in the March 20, 2023 issue of *Tax Analysts Tax Notes State*, vol. 107, number 12, p. 1045.

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

Nexus School

Nexus School for income and sales tax was held in Boise, Idaho on June 29-30, 2023. Nexus School for income tax was held in Salem, Oregon on October 6-7, 2022. 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 three permanent full-time staff members: Richard Cram, Director, Diane Simon-Queen, Voluntary Disclosure Program Manager, Michelle Lewis, Paralegal. James Lee, Program Specialist, is no longer with the Nexus Program, and we certainly appreciated his excellent service for the past several years.

Richard Cram, Director, National Nexus Program