



MULTISTATE TAX COMMISSION

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National Nexus Program (NNP) Director's Report for 1st Quarter, FY 2024 November 15, 2023

Multistate Voluntary Disclosure Program (MVDP)

The Nexus Program results for the first quarter of FY 2024 (July 1, 2023 through September 30, 2023) are provided below.

- Nexus states' collections: \$2,123,382 (FY 2023: \$25,846,276)
- Nexus states' executed agreements: 67 (FY 2023: 391)
- Nexus states' average contract value: \$31,692 (FY 2023: \$66,103)

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 October 25, 2023), 167 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 2024 to date, Richard Cram participated in the following outreach events:

co-panelist with Professor Richard Pomp at Nexus Committee meeting in Austin, TX on July 24, 2023 discussing establishment of "purposeful availment" conduct for internet sellers;

co-panelist at ABA Tax Section SALT Committee meeting in Chicago, Illinois on October 20, 2023 with Leah Robinson, Professor Hays Holderness and Breen Schiller in a presentation entitled “The Continued Relevance – or the Obsolescence – of Older State Tax Cases;” and

virtual presentation on November 8, 2023 on recent nexus law developments and Commission activities to NYU State Tax Study Group.

Richard published an article entitled “The Last Word on *Quad Graphics*: A Requiem for *Dilworth*,” in the September 4, 2023 issue of *Tax Analysts Tax Notes State*, vol. 109, number 10, p. 769.

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

Nexus School

Discussions with West Virginia Department of Revenue are underway concerning possible hosting of a Nexus School for income and sales tax in Charleston next spring. 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, and Michelle Lewis, Paralegal.

Richard Cram, Director, National Nexus Program