

Lookback Periods for States Participating in National Nexus Program

The lookback period includes the prior complete tax filing periods for which a taxpayer applying for voluntary disclosure relief must generally file returns and pay the past-due tax liability plus interest in return for the state's waiver of tax liability for periods prior to the lookback period and penalties. The lookback period also includes the current incomplete tax filing period, the return for which must be timely filed and tax paid when due. The prior and current tax filing periods are determined based on the date that the application is received by National Nexus Program staff. Each state determines its own lookback period. Lookback periods may vary between states. The lookback periods published in the chart below are provided for guidance purposes only to assist taxpayers seeking voluntary disclosure relief in estimating the amount of past-due tax liability payment that may be required. For states that have most recently implemented sales/use tax economic nexus, if the taxpayer has only sales/use tax economic nexus and no physical presence in that state, the sales/use tax lookback period would commence not earlier than the state's sales/use tax economic nexus implementation date. For those states, see the chart entitled "Sales/Use Tax Lookback Periods for Taxpayers with Economic Nexus Only." As each state makes the final determination of the lookback period following review of the taxpayer's application, the guidance provided in the chart below does not constitute specific advice and accordingly should not be relied upon without further confirmation from the state(s). Withholding tax retained from employee salaries and sales/use tax collected from others must be remitted in its entirety, may involve non-waivable penalties, and may cause the lookback period to commence when such tax was first collected.

| Column1 | Column2 | Column3 | STATE LOOKBACK PERIODS |
|----------------------|--|---|--|
| Nexus Program States | Income/franchise tax | Sales/Use Tax | |
| | Lookback period (complete prior tax years) | Lookback period (complete prior months) | Notes |
| Alabama | 3 | 36 | |
| Arizona | 4 | 48 | Lookback period for TPT/use tax is 48 months. |
| Arkansas | 3 | 36 | |
| Colorado | 4 | 36 | |
| Connecticut | 3 | 36 | |
| D.C. | 3 | 36 | Lookback period for franchise tax is prior 3 tax years. |
| Delaware | 5 | n/a | Lookback period is normally current year plus 5 previous years, greater in some circumstances. |
| Florida | 3 | 36 | Lookback period includes the 3 years immediately preceding the date of the VDA request. |
| Georgia | 3 | 36 | Lookback period may be reduced/eliminated if no liability or refunds/losses exist. |
| Hawaii | 3 | n/a | The lookback period for both general excise (gross income) tax and corporation net income tax is 3 complete prior tax years plus the current year. |
| Idaho | 3 | 36 | Lookback period may vary depending on specific facts and circumstances of request. |
| Iowa | 5 | 60 | Lookback period is one-half of the periods normally due, with maximum of 5 years (20 quarters, 60 months). |
| Kansas | 3 | 36 | Kansas will consider allowing a longer lookback period if requested. |
| Kentucky | 4 | 48 | |
| Louisiana | 3 | 36 | Sales/use tax lookback period is 36 months plus any months due for the current calendar year. |
| Maryland | 4 | 48 | |
| Massachusetts | 3 | 36 | Lookback period can be 7 years for in-state entity. |
| Michigan | 4 | 48 | |
| Minnesota | 4 | 36 | Lookback period for corporate franchise tax, S corporation tax, and partnership tax is generally 4 years (3 lookback years and 1 current year ready and available to be filed). Sales/use tax lookback period is 48 months when there is collected but unremitted tax. |
| Missouri | 4 | 48 | For franchise tax years beginning on or after 1/1/2016, no franchise tax is imposed under RSMO 147.010. |
| Montana | 5 | n/a | Montana has no state sales/use tax. |
| Nebraska | 3 | 36 | |
| New Hampshire | 3 | 36 | |
| New Jersey | 4 | 48 | |
| New Mexico | SEE MANAGED AUDIT PROCEDURES | | |
| North Carolina | 3 | 36 | |
| North Dakota | 3 | 36 | While the general lookback period is 3 years, a longer lookback period may apply to circumstances where it is clear a significant taxable presence in the state existed prior thereto. |
| Oklahoma | 3 | 36 | |
| Oregon | 3 | n/a | Oregon has no sales/use tax. |
| Rhode Island | 3 | 36 | Lookback period is 3 years for income/franchise tax and 36 months for sales/use tax |
| South Carolina | 3 | 36 | |
| South Dakota | 3 | 36 | Lookback period is 3 prior tax years for bank franchise tax. |
| Tennessee | 3 | 36 | Lookback period is 3 prior tax years plus current year. For both taxes, it could be up to 4 years or 48 months. |
| Texas | 4 | 48 | |
| Utah | 3 | 36 | |
| Vermont | 3 | 36 | |
| Washington | 4 | 48 | Lookback period is prior 4 calendar years plus the current year through the end of the last completed calendar quarter. |
| West Virginia | 3 | 36 | The franchise tax ceased for taxable years beginning on or after January 1, 2015, under W. Va. Code Section 11-23-6(b)(11). |
| Wisconsin | 4 | 4 yrs | Sales/use tax lookback period is prior 4 years plus current year. |