



# The National Conference of State Legislatures



## EXECUTIVE COMMITTEE TASK FORCE ON STATE AND LOCAL TAXATION

**Snow King Hotel \* June 15-16, 2017 \* Jackson, Wyoming**

Unless otherwise noted, all meetings will be held in Grand View A.

### Thursday, June 15<sup>th</sup>

#### **12:00 – 12:15 p.m. Welcome and Introductions**

The Task Force chairs will provide an overview of the meeting followed by attendee introductions.

- ❖ Senator Pam Althoff, Illinois

#### **12:15 – 12:45 p.m. Welcome to Wyoming**

Senator Ray Peterson, Chairman of the Wyoming Senate Revenue Committee, and Representative Mike Madden, Chairman of the Wyoming House Revenue Committee, will welcome the Task Force to their state and will provide an overview of the current tax issues in Wyoming.

- ❖ Senator Ray Peterson, Wyoming
- ❖ Representative Mike Madden, Wyoming

#### **12:45 – 1:15 p.m. State Update**

Jackson Brainerd, analyst in NCSL's Fiscal Affairs Program, will discuss the latest NCSL report on state budget and tax actions and will provide an update on the status of state finances at the halfway point of 2017. The presentation will be followed by a roundtable discussion of individual state fiscal situations.

- ❖ Jackson Brainerd, National Conference of State Legislatures

#### **1:15 – 1:45 p.m. Federal Update**

NCSL Washington D.C. staff will provide an update on the most recent activity in Congress and the administration and will discuss how potential actions may affect states.

- ❖ Max Behlke, National Conference of State Legislatures
- ❖ Jake Lestock, National Conference of State Legislatures

#### **1:45 – 2:00 p.m. Break**

**D.Y.K?** When Americans started paying annual federal income tax in 1913, individuals who owed federal tax on their income earned actually paid the tax the following year in quarterly installments. It wasn't until WWII, when the government needed a more consistent stream of income to fund the war, that taxes started being withheld from paychecks. This withholding system has remained in effect continuously ever since 1943.

**2:00 – 2:45 p.m.**

### **Remote Sales Tax Update**

In 2015, United States Supreme Court Justice Kennedy invited the states to challenge *Quill*. So far, at least four states have accepted that challenge. Many other states are currently engaged in significant discussions on how they can level the playing field for retailers and states in light of continued congressional inaction. This session will provide an update on the remote sales tax collection issue at the state and federal levels and what can be expected for the remainder of 2017.

- ❖ Max Behlke, National Conference of State Legislatures
- ❖ Joe Rinzel, Retail Industry Leaders Association

**2:45 – 3:45 p.m.**

### **Uniformity Needed to Report Federal Tax Adjustments**

COST, TEI, the ABA SALT Committee, IPT and the AICPA are working on model legislation to improve the process for taxpayers to report federal tax adjustments to the states. Included in the model legislation are state tax report requirements to be filed with the states when an amended federal return has been filed as well as when a change is made following an IRS audit adjustment. This session will summarize the details of the model, during which the presenters would like to obtain input from the taskforce on its consideration of a resolution in support of the model legislation once it is finalized.

- ❖ Jaye Calhoun, Kean Miller LLP
- ❖ Nikki Dobay, Council on State Taxation
- ❖ Pilar Mata, Tax Executives Institute
- ❖ April Nevarez, Institute for Professionals in Taxation
- ❖ Fred Nicely, Council on State Taxation
- ❖ Thomas Shimkin, Multistate Tax Commission

**3:45 – 4:00 p.m.**

### **Break**

**4:00 – 4:15 p.m.**

### **Short-Term Lodging Taxation**

Liz Malm of Multistate Associates will provide an update of this year's legislative activity around the country related to the sharing economy and taxation.

- ❖ Liz Malm, Multistate Associates

**4:15 – 5:00 p.m.**

### **Digital Goods Update**

As traditionally taxable products and services are being increasingly offered digitally, state sales tax bases are slowly eroding. As a result, more state and local level governments are considering if and how to tax digital products. This session will provide an update of recent developments in the digital tax arena at the state and local levels as well as provide an outlook for what may occur at the state and federal levels the remainder of 2017.

- ❖ Ellen Berenholz, Comcast
- ❖ Deborah Bierbaum, AT&T
- ❖ Stacey Sprinkle, Verizon

**6:00 p.m.**

### **Task Force Reception and Dinner**

The Task Force reception and dinner will be held in the Summit Two room of the Snow King Hotel.

*\*\*Reception and Dinner are for Task Force Members, Sponsors, and Invited Guests Only\*\**

# Friday, June 16<sup>th</sup>

**7:30 – 8:45 a.m. Breakfast**

**9:00 – 10:00 a.m. Federal Tax Reform**

Although comprehensive tax reform remains high on the priority list for the 115<sup>th</sup> Congress, congressional leadership and the administration have diverging viewpoints on what reform would entail. This panel discussion will examine the prospects of passing tax reform by the end of this year, or by the end of this Congress, and will also dive into what tax reform may ultimately look like.

- ❖ Joe Crosby, Multistate Associates
- ❖ Karl Frieden, Council on State Taxation
- ❖ Rachelle Bernstein, National Retail Federation

**10:00 – 10:45 a.m. Broadening the Sales Tax Base – Inevitable?**

Given the continual erosion of state sales tax bases, states have eyed expanding their sales tax bases to include more products and services. However, base expansion is often easier said than done. This panel discussion will explore what broadening the sales tax base entails and whether it is a viable solution for states in the long-term.

- ❖ Joe Crosby, Multistate Associates
- ❖ Joe Henchman, Tax Foundation
- ❖ Fred Nicely, Council on State Taxation

**10:45 – 11:30 a.m. Sales Tax Administration**

Mike Kadas, Director of Montana's Department of Revenue and member of the Federation of Tax Commissioner's Board of Trustees, will provide his perspective on the emerging tax issues in Montana and across the country.

- ❖ Mike Kadas, Montana Department of Revenue

**11:30 – 12:00 p.m. Task Force Business Meeting**

The Task Force will discuss possible session topics for the upcoming August and November meetings as well as consider any potential policy matters.

- ❖ Senator Pam Althoff, Illinois

**12:00 p.m. Adjournment**

**D.Y.K?** The ancient Romans have passed on many traditions to modern day society, but they certainly had a different perspective on urine. It was seen as much more useful than today. They used it as a cleaning agent for washing their clothes, brushing their teeth as well as tanning leather. Ancient laundries even used to collect urine in giant clay pots which were placed out in public for people to relieve themselves. Eventually, so much urine was used and collected that a tax was imposed by the Roman emperor. *Pecunia non olet* meaning, "money does not stink" was a famous phrase coined as a result of this tax levied by the emperors Nero and Vespasian in the 1st century AD.

# **FUTURE TASK FORCE MEETINGS**

**AUGUST 5-6, 2017**

**BOSTON, MASSACHUSETTS**

**IN CONJUNCTION WITH**

**NCSL'S LEGISLATIVE SUMMIT**

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**NOVEMBER 17-18, 2017**

**NAPLES, FLORIDA**

**National Conference of State Legislatures**

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# **Task Force Membership**

Co-Chair, Senator Pam Althoff, Illinois  
Co-Chair, Representative Chris Perone, Connecticut  
Co-Chair Emeritus, Delegate Sheila Hixson, Maryland

Representative Janet Ancel, Vermont  
Councilmember Anita Bonds,  
Washington D.C.  
Senator Curtis Bramble, Utah  
Representative Nathan Ballentine, South  
Carolina  
Representative Dennis Bonnen, Texas  
Representative Kevin Brooks, Tennessee  
Assemblywoman Irene Bustamante-Adams,  
Nevada  
Representative Lance Clow, Idaho  
Senator Dwight Cook, North Dakota  
Representative Justin Cronin, South Dakota  
Senator Alberta Darling, Wisconsin  
Representative Dan Douglas, Arkansas  
Representative Dan Flynn, Texas  
Senator Wayne Harper, Utah  
Senator Judson Hill, Georgia  
Senator Toi Hutchinson, Illinois  
Representative Jay Kaufman, Massachusetts  
Senator Luke Kenley, Indiana  
Representative Brian Kennedy,  
Rhode Island  
Representative John Macco, Wisconsin  
Representative Norman Major,  
New Hampshire  
Delegate Eric Nelson, West Virginia  
Assemblyman Felix Ortiz, New York

Representative Joyce Peppin, Minnesota  
Senator Deb Peters, South Dakota  
Senator Neil Riser, Louisiana  
Senator Ann Rest, Minnesota  
Representative Scott Saiki, Hawaii  
Representative David Santiago, Florida  
Representative Gary Scherer, Ohio  
Representative Chris Sells, Alabama  
Senator Ryan Silvey, Missouri  
Senator Jim Smith, Nebraska  
Representative Drew Springer, Texas  
Representative Julie Stokes, Louisiana  
Senator Roger Thompson, Oklahoma  
Representative John Szoka, North Carolina  
Representative John Wray, Texas

## **Legislative Staff**

Randy Dowell, Oklahoma  
Megan Moore, Montana  
Dan Schmidt, Wisconsin  
Esther Van Mourik, Colorado  
Mary Cleary, Michigan

## **NCSL Staff**

Max Behlke, Director of Budget & Tax Policy  
Jake Lestock, Policy Specialist

## **2016-2017 NCSL National Officers**

Senator Dan Blue (North Carolina), President  
Senator Deb Peters (South Dakota), President-elect  
Senator Toi Hutchinson (Illinois), Vice President  
Senator Curtis Bramble (Utah), Immediate Past President  
William Pound, Executive Director