

VIRGINIA ACTS OF ASSEMBLY -- 2018 SESSION

CHAPTER 343

An Act to require the Commonwealth of Virginia to become an associate member of the Multistate Tax Commission.

[H 373]

Approved March 19, 2018

Whereas, the Multistate Tax Commission is an intergovernmental state tax agency working on behalf of states and taxpayers to administer, equitably and efficiently, tax laws that apply to multistate and multinational enterprises; and

Whereas, in 1967, the Multistate Tax Compact created the Multistate Tax Commission, which is charged with facilitating the proper determination of state and local tax liability of multistate taxpayers, including the equitable apportionment of tax bases and settlement of apportionment disputes, promoting uniformity or compatibility in significant components of tax systems, facilitating taxpayer convenience and compliance in the filing of tax returns and in other phases of tax administration, and avoiding duplicative taxation; and

Whereas, the Multistate Tax Commission has three levels of membership: compact members, which are states that have enacted the Multistate Tax Compact into state law; sovereignty members, which are states that support the purposes of the Multistate Tax Compact through regular participation in, and financial support for, the general activities of the Multistate Tax Commission; and associate members, which are states that participate in Multistate Tax Commission meetings and otherwise consult and cooperate with the Multistate Tax Commission and its other member states; and

Whereas, 48 states and the District of Columbia are currently members of the Multistate Tax Commission, and 26 of such states are associate members; and

Whereas, it is the duty of the Tax Commissioner of the Virginia Department of Taxation to supervise the administration of the tax laws of the Commonwealth insofar as they relate to taxable state subjects and assessments thereon, in light of objectives of ascertaining the best methods of reaching all taxable income, property, and transactions; effectuate equitable assessments; and avoid conflicts and duplication of taxation of the same income, property, and transactions; and

Whereas, the Multistate Tax Commission in 2014 and 2015 adopted revisions to its model Uniform Division of Income for Tax Purposes Act (UDITPA); and

Whereas, actions by the Multistate Tax Commission regarding other model legislation could have a significant impact on the competitiveness of the Commonwealth of Virginia; now, therefore,

Be it enacted by the General Assembly of Virginia:

1. § 1. *The Tax Commissioner of the Department of Taxation shall take such steps as are necessary for Virginia to become an associate member of the Multistate Tax Commission without payment of any membership fees, and shall participate in available Multistate Tax Commission discussions and meetings concerning model legislation and uniform tax policies that could affect the Commonwealth.*