



Multistate Tax

State Tax Matters

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Articles:

What Changes Have Been Made to the Integrated Tax System within the Pennsylvania Department of Revenue? A Multi-phased Modernization Project

This article, authored by Kenneth Stoops of Deloitte Tax LLP, discusses how the Pennsylvania Department of Revenue is in the midst of a multi-phased Modernization Project in which a new Integrated Tax System is replacing an antiquated system based on a decades-old programming language. At a recent meeting of the Modernization Project Professional Advisory Workgroup, of which Kenneth Stoops is a member, the Department shared a status update and announced several changes.

URL: <http://www2.deloitte.com/us/en/pages/tax/articles/changes-to-integrated-tax-system-within-the-department-of-revenue.html?id=us:em:na:stm:eng:tax:061215>

Note that this column was originally published in *Catalyst*, the Pennsylvania Chamber of Business and Industry’s quarterly magazine.

Amnesty:

South Carolina: New Law Authorizes Amnesty Program with Potential for 100% Interest and Penalty Waiver

S.B. 526, signed by gov. 6/8/15. Effective immediately, new law authorizes the South Carolina Department of Revenue (“Department”) to designate an amnesty period which has a beginning and ending date as determined by the Department. During the amnesty period, the Department shall waive the underlying penalties and interest or portion of them at its discretion for a taxpayer that voluntarily files delinquent returns and pays all taxes owed. If the Department establishes an amnesty period pursuant to this new law, it must notify the South Carolina General Assembly of the amnesty period at least sixty days before the commencement of the amnesty period.

URL: http://www.scstatehouse.gov/sess121_2015-2016/bills/526.htm

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Income/Franchise:

Missouri: Department of Revenue Comments on Optional Single Sales Factor Apportionment Method

Optional Single Sales Factor Apportionment Changes, Mo. Dept. of Rev. (6/15). Pursuant to legislation enacted during 2013 that permits an eligible corporation to elect to use an optional single sales factor apportionment method to compute its Missouri corporate taxable income from sources in Missouri on its original income tax return, the Missouri Department of Revenue (“Department”) explains that the election to use this apportionment method is available for any original income tax return that is filed on or after August 28, 2013, regardless of the taxable year for which the original income tax return is being filed. The Department additionally notes that this election is *not* available for any corporate income tax return that was filed on or before August 27, 2013; and that it is also *not* available for amended returns filed after the due date or extended due date of the return.

URL: <http://dor.mo.gov/business/corporate/whatsnew/>

The Department also explains that for original returns filed on or after August 28, 2013 and before August 28, 2015, this optional single sales factor apportionment method only applies to taxpayers selling tangible property. However, pursuant to recently enacted legislation [*S.B. 19*; see previously issued Multistate Tax Alert for more details on this new law], the Department states that this optional single sales factor apportionment method is also available to taxpayers with sales other than tangible property for returns filed on or after August 28, 2015 that meet all other requirements for the election.

URL: <http://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-mts-alert-missouri-adopts-market-based-sourcing-for-optional-single-sales-factor.pdf?id=us:em:na:stm:eng:tax:061215>

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Sales/Use:

Vermont: New Law Exempts “Cloud Computing” Charges

S.B. 138, signed by gov. 6/3/15. Effective as of July 1, 2015, new law provides that charges for the right to access remotely prewritten software (i.e., “cloud computing”) are *not* subject to state sales/use taxation as they are *not* considered charges for tangible personal property such as prewritten computer software.

URL: <http://legislature.vermont.gov/bill/status/2016/S.138>

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Multistate Tax Alerts

What’s new in the States? Our Multistate Tax Alerts highlight selected state tax developments relevant to taxpayers, tax professionals, and other interested persons. Read our more recent alerts below or visit the archive for ones you may have missed.

Archive: <http://www2.deloitte.com/us/en/pages/tax/articles/multistate-tax-alert-archive0.html?id=us:em:na:stm:eng:tax>

Sweeping Connecticut Tax Reforms Passed by the General Assembly

On June 3, 2015, the Connecticut General Assembly passed in concurrence House Bill 7061, the Connecticut state budget bill for the biennium spanning July 1, 2015 through June 30, 2017. The bill is currently pending the signature of Governor Dannel Malloy. If enacted, this legislation would make several changes to Connecticut tax law.

This Multistate Tax Alert summarizes these pending law changes, which would have various effective dates as specified.

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URL: <http://www2.deloitte.com/us/en/pages/tax/articles/sweeping-tax-reforms-passed-by-the-Connecticut-General-Assembly.html?id=us:em:na:stm:eng:tax:061215>

Nevada Legislature Approves New “Commerce Tax” and Other Tax Law Changes

On June 1, 2015, the Nevada Senate gave final approval to Senate Bill 483 (“SB 483”), which was passed by the Nevada Assembly on May 31, 2015. The bill represents a compromise over competing tax plans and now awaits Governor Sandoval’s signature. Governor Sandoval is expected to sign the bill, and has until June 12, 2015, to act upon the bill, at which point it would become law. If enacted, effective July 1, 2015, SB 483 would impose a new “commerce tax” on each “business entity” engaged in business in Nevada with Nevada-sitused gross

revenue exceeding \$4,000,000 in a taxable year. If a business entity's Nevada gross revenue exceeds \$4,000,000, the excess would be subject to tax at various rates that depend upon the industry in which the business entity is "primarily engaged." The pending law would also:

- Amend the Nevada payroll-based tax on financial institutions and the payroll-based business tax;
- Increase the excise tax imposed on cigarettes;
- Increase the annual state business license fee applicable to certain corporations organized under Nevada law and foreign corporations authorized to transact business in Nevada;
- Make various changes regarding the proceeds of minerals tax; and
- Extend permanently the 0.35 percent Local School Support Tax portion of the state-level sales and use tax.

This Multistate Tax Alert summarizes these pending Nevada tax law changes and provides some taxpayer considerations. This Multistate Tax Alert also summarizes Assembly Bill 380, which was approved by the Governor on May 27, 2015, and includes sales and use tax affiliate nexus and remote seller "click-through" nexus provisions that are effective beginning on July 1, 2015 and October 1, 2015, respectively.

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URL: <http://www2.deloitte.com/us/en/pages/tax/articles/nevada-legislature-approves-new-commerce-tax-and-other-tax-law-changes.html?id=us:em:na:stm:eng:tax:061215>

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