



Multistate Tax

State Tax Matters

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Amnesty:

Alabama: Department Announces that 2016 Amnesty Program Will Run from June 30, 2016 through August 30, 2016

Alabama Tax Delinquency Amnesty Program FAQs, Ala. Dept. of Rev. (4/16). Pursuant to legislation enacted last year [S.B. 20; see previously issued Multistate Tax Alert for more details on this 2015 law], the Alabama Department of Revenue (Department) has issued frequently asked questions and answers for an upcoming amnesty program that will run from June 30, 2016 through August 30, 2016. The Department explains that most taxes it administers, with the exception of motor fuel taxes, are eligible for this amnesty program – which includes, but is not limited to, state corporate and individual income, business privilege, excise, consumers use, sellers use, withholding, and sales taxes. Under this program, qualifying participants may receive a waiver of one-half of the interest and all of the penalties associated with the eligible taxes, as well as a three-year “look-back period.”

URL: <http://alabamataxamnesty.com/index.php/frequently-asked-questions/>

URL: <http://www2.deloitte.com/us/en/pages/tax/articles/multistate-tax-alert-new-law-provides-for-alabama-tax-amnesty-program.html?id=us:2em:3na:stm:awa:tax:042916>

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Income/Franchise:

South Carolina: New Law Updates State Conformity to Internal Revenue Code

H.B. 4328, signed by gov. 4/21/16. Effective immediately, new law generally updates corporate and personal income tax statutory references to the Internal Revenue Code (IRC), referring to the federal law in effect as amended through December 31, 2015 (previously December 31, 2014) and “includes the effective date provisions contained in it.” The new law additionally provides that if IRC sections adopted by South Carolina which expired or portions thereof expired on December 31, 2015 are extended, but otherwise not amended, by US Congressional enactment during 2016, “these sections or portions thereof also are extended for South Carolina income tax purposes in the same manner that they are extended for federal income tax purposes.”

URL: http://www.scstatehouse.gov/sess121_2015-2016/bills/4328.htm

The new law also includes changes in the due dates for both state partnership and corporate income tax returns to accommodate the new federal law due date changes.

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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:2em:3na:stm:awa:tax>

State Income Tax Effect of New Proposed Federal Intercompany Debt Regulations

On April 4, 2016, the IRS issued proposed Treasury regulations under Section 385 of the Internal Revenue Code (Proposed Regulations) that would, if adopted in their current form, have a wide-ranging impact on intercompany debt, including requiring certain debt instruments issued between related parties to be re-characterized as equity, and establishing minimum documentation requirements that must be satisfied for intercompany debt instruments to be respected. While the Proposed Regulations are not intended to affect debt between members of a consolidated federal return for federal tax purposes, they may have implications for state income tax purposes, especially in states that do not fully conform to the federal consolidated return regulations.

See forthcoming Multistate Tax Alert for more details on the potential state income tax effect of these Proposed Regulations.

Florida Legislative Update

Florida Governor Rick Scott recently signed into law House Bill 7099 (H.B. 7099), which makes various changes to Florida's tax laws. Notable provisions of the new law include:

- Updating Florida's federal tax conformity date to the Internal Revenue Code (IRC) as in effect on January 1, 2016;
- Decoupling from federal bonus depreciation for property placed in service after December 31, 2014 and before January 1, 2021;
- Changing the due dates for corporate income tax returns, partnership information returns and estimated payments;
- Making permanent the sales and use tax exemption for industrial machinery and equipment purchased by an eligible manufacturing business for use in manufacturing; and
- Establishing a three-day back-to-school sales tax holiday beginning August 5, 2016.

This Multistate Tax Alert summarizes these changes and provides a brief overview of some of the more significant provisions of the new law.

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URL: <http://www2.deloitte.com/us/en/pages/tax/articles/florida-legislative-update.html?id=us:2em:3na:stm:awa:tax:042916>

Have a question?

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