



Multistate Tax

State Tax Matters

The power of knowing.

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In this issue:

Articles: Ohio: Available Training Credits and Incentives.....	1
Articles: The State Side of Federal Corporate Income Tax Reforms	1
Income/Franchise: Maryland: New Law Revises Corporate Income Return Due Dates to Accommodate Federal Law Changes	2
Sales/Use/Indirect: Oklahoma: New Law Includes Affiliate Nexus Provisions and Requires Certain Remote Sellers to either Collect Tax or Send Annual Information Notices2	
Multistate Tax Alerts	3

Articles:

Ohio: Available Training Credits and Incentives

This edition of “Credits & Incentives Talk with Deloitte,” a monthly column by Kevin Potter of Deloitte Tax LLP featured in the *Journal of Multistate Taxation and Incentives* (a Thomson Reuters publication), focuses on Ohio and two of its programs that seek to support businesses as they train or retrain their workforce. Providing training incentives to businesses of all sizes, while permitting them to determine the appropriate curriculum, can encourage the necessary training and retraining of people for existing, unfilled jobs.

URL: <http://www2.deloitte.com/us/en/pages/tax/articles/credits-and-incentives-ohio-available-training-incentives.html?id=us:2em:3na:stm:awa:tax:052716>

Articles:

The State Side of Federal Corporate Income Tax Reforms

In the 2016 US presidential race, what’s likely to get side-tracked in the debate over federal tax code reform are the potential repercussions on the states. It remains to be seen how the states will respond to another set of federal tax law changes – the only certainty seems to be that it will be reactive.

URL: <http://www2.deloitte.com/us/en/pages/tax/articles/the-state-side-of-federal-corporate-income-tax-reforms.html?id=us:2em:3na:stm:awa:tax:052716>

Income/Franchise:

Maryland: New Law Revises Corporate Income Return Due Dates to Accommodate Federal Law Changes

H.B. 484, signed by gov. 5/19/16. Effective July 1, 2016, and applicable to all taxable years beginning after December 31, 2015, new law revises the due date for filing Maryland corporate income returns to accommodate the new federal due dates for corporate tax returns. The new due date in Maryland for corporate income tax returns is now April 15th for calendar year taxpayers (previously, March 15th), and the 15th day of the fourth month (previously, the “third” month) after the end of the fiscal year for fiscal year taxpayers.

URL: <http://mgaleg.maryland.gov/2016RS/bills/hb/hb0484T.pdf>

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Sales/Use/Indirect:

Oklahoma: New Law Includes Affiliate Nexus Provisions and Requires Certain Remote Sellers to either Collect Tax or Send Annual Information Notices

H.B. 2531, signed by gov. 5/17/16. Effective November 1, 2016, new law known as the “Oklahoma Retail Protection Act of 2016,” generally will require certain out-of-state remote sellers to either i) collect and remit state sales/use tax on in-state sales at the point of purchase, or ii) send annual notices to customers to whom tangible personal property was delivered in Oklahoma listing the total sales made to the customer during the preceding calendar year and informing the customer that Oklahoma use tax may be due. In doing so, the new law also revises the definition of “maintaining a place of business in this state” to incorporate certain “affiliate nexus”-type provisions, including a rebuttable presumption for in-state presence whenever an in-state person:

URL: http://webserver1.lsb.state.ok.us/cf_pdf/2015-16%20ENR/hB/HB2531%20ENR.PDF

1. Sells a similar line of products as the remote seller and does so under the same or a similar business name,
2. Uses trademarks, service marks or trade names in Oklahoma that are the same or substantially similar to those used by the remote seller,
3. Delivers, installs, assembles or performs maintenance services for the remote seller,
4. Facilitates the remote seller’s delivery of property to customers in Oklahoma by allowing the remote seller’s customers to pick up property sold by the remote seller at an office, distribution facility, warehouse, storage place or similar place of business maintained by the person in Oklahoma, or
5. Conducts any other activities Oklahoma that are significantly associated with the remote seller’s ability to establish and maintain an in-state market for the remote seller’s sales.

For the purpose of registration, collection, and remittance of Oklahoma sales and use taxes owed pursuant to this new law, the legislation includes a mandate for the Oklahoma Tax Commission to establish an outreach program and initiative for qualifying remote sellers that would waive certain uncollected state sales/use taxes, penalties, and interest.

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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](http://www2.deloitte.com/us/en/pages/tax/articles/multistate-tax-alert-archive0.html?id=us:2em:3na:stm:awa:tax)

New Jersey Tax Court Issues Decision Involving Unreasonable Exception

On April 25, 2016, the Tax Court of New Jersey in *Kraft Foods Global, Inc. v. Director, Division of Taxation*, held that the Director of the Division of Taxation did not err in determining that Kraft Foods Global, Inc. failed to establish that it was entitled to deduct interest payments made to its parent company during tax years 2005 and 2006 from its taxable income base for corporate business tax purposes. Upon the issuance of a final judgment by the Tax Court, an appeal may be sought to the Appellate Division of the Superior Court.

This Multistate Tax Alert summarizes the Tax Court's decision in *Kraft Foods Global, Inc. v. Director, Division of Taxation* and provides some taxpayer considerations.

[Issued: May 18, 2016]

[URL: http://www2.deloitte.com/us/en/pages/tax/articles/new-jersey-tax-court-issues-decision-involving-unreasonable-exception.html?id=us:2em:3na:stm:awa:tax:052716](http://www2.deloitte.com/us/en/pages/tax/articles/new-jersey-tax-court-issues-decision-involving-unreasonable-exception.html?id=us:2em:3na:stm:awa:tax:052716)

Texas Supreme Court: Net Loss Not Included in Apportionment Factor Denominator

On April 15, 2016, in *Hallmark Marketing Company, LLC, v. Hegar*, the Texas Supreme Court reversed a Texas Court of Appeals' decision and held that the Texas Tax Code does not require taxpayers to include a net loss from the sale of investments and capital assets in its apportionment factor denominator for Texas franchise tax purposes. The case involved the application of Texas Tax Code § 171.105(b), which for purposes of determining the denominator of the franchise tax apportionment factor states: "If a taxable entity sells an investment or capital asset, the taxable entity's gross receipts from its entire business for taxable margin include only the net gain from the sale" (emphasis added). The taxpayer argued the proper interpretation of this statute was that gains only are included and, thus, losses are disregarded.

This Multistate Tax Alert summarizes the proceedings and arguments in this case and provides some taxpayer considerations.

[Issued: May 20, 2016]

URL: <http://www2.deloitte.com/us/en/pages/tax/articles/texas-supreme-court-decision-in-hallmark-marketing.html?id=us:2em:3na:stm:awa:tax:052716>

Have a question?

If you have needs specifically related to this newsletter's content, send us an email at clientsandmarketsdeloittetax@deloitte.com to have a Deloitte Tax professional contact you.

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