EXHIBIT 5
DATE 4.13.07
SB 220

Multistate Tax Commission

Resolution 06-01

Resolution Authorizing and Convening a Task Force for the Development of a Uniform Format for Compilation of State Tax Return Data

Whereas, in July, 2004, the Steering Committee of the Multistate Tax Commission's State Tax Compliance Initiative proposed to the Commission's Executive Committee that a model statute addressing reportable transactions and inconsistent filing positions be developed; and

Whereas, in July, 2004, the Executive Committee adopted the Steering Committee's recommendation and directed that a model Reportable Transaction and Inconsistent Filing Position Statute be developed; and

Whereas, the model statute was developed by the Uniformity Committee and in June, 2005, was reported favorably to the Executive Committee which approved the model for public hearing that same month.

Whereas, in May, 2006, the Executive Committee voted to report the model statutes favorably to the full Commission with amendments, including amendments that would eliminate the taxpayer's requirement to disclose inconsistent filing positions and instead require the filing of a spreadsheet for disclosure of filing data from other states, whether inconsistent or not; and directed Commission staff to work with interested parties to develop further amendments to that requirement to enhance efficiency and minimize administrative burdens, for consideration by the full Commission in August, 2006; and

Whereas, between May, 2006 and August, 2006, Commission staff and representatives from the California Franchise Tax Board, the Montana Department of Revenue, the Utah State Tax Commission received input from interested parties and as a result of that input Commission Staff has proposed amendments which would require taxpayers to files a compilation of state tax return data reported to multiple states for tax years beginning on and after January 1, 2009; and

Whereas, the current model draft removes any advanced judgment of a taxpayer's filing position and merely focuses on the practical need of states for basic information to ensure equitable and proper compliance with income tax apportionment laws; and

Whereas, the purpose of limiting such filing requirement to tax years beginning on and after January 1, 2009 is to allow time for the development of software and other methods that will make it more convenient for taxpayers to file such information with the states, and for The Commission to work with taxpayers and other private sector representatives

on a task force to identify specific filing requirements so that such software could be developed; now, therefore, be it

RESOLVED, that Commission hereby directs the Executive Director to organize a task force comprised of state and private sector representatives to identify filing format and requirements for the compilation of state tax return data so that such programming can be developed and to report the results of its work to the full Commission.

Adopted this 17th day of August 2006.

Joe Huddleston
Executive Director