**Friday, November 18th**

1:00 – 1:15 p.m. **Welcome and Introductions**

The Task Force chairs will provide an overview of the meeting followed by attendee introductions.

- Senator Pam Althoff, Illinois
- Representative Chris Perone, Connecticut

1:15 – 1:45 p.m. **Task Force Update/Roundtable**

NCSL staff will provide an update to the Task Force on general state tax and revenue trends followed by a roundtable discussion among Task Force members regarding important tax considerations and discussions they expect will occur in their 2017 legislative sessions.

- Max Behlke, National Conference of State Legislatures
- Jeff Hurley, National Conference of State Legislatures

1:45 – 2:15 p.m. **Remote Sales Tax Collection in the States**

In 2015, United States Supreme Court Justice Kennedy invited the states to challenge *Quill* and at least three states accepted that challenge. Many other states are currently engaged in significant discussions regarding how they can level the playing field for retailers and states in light of continued Congressional inaction.

As legislatures plan for 2017, what issues are legislatures considering as they seek to support a level playing field? What lessons can other states learn from the states that have already acted to address this problem in 2016?

- Max Behlke, National Conference of State Legislatures (NCSL)
- Joe Rinzel, Retail Industry Leaders Association (RILA)

2:15 – 2:45 p.m. **The Lame-Duck Session and Remote Sales Tax Collection in Congress**

This session will explore what Congress may address during the lame duck session in Congress, including an omnibus measure that is necessary to fund the government for the remainder of FY 2017. This discussion will also focus on the status of remote sales tax collection legislation in Congress, which would enable states to collect the sales and use taxes that are owed on remote transactions.

- Rachelle Bernstein, National Retail Federation (NRF)
- Neal Osten, National Conference of State Legislatures (NCSL)
- Joe Rinzel, Retail Industry Leaders Association (RILA)

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**DID YOU KNOW?**

The IRS taxes stolen property. The 1040 instructions say that you should report stolen property as income. However, doing that would be self-incrimination, from which we are Constitutionally protected; therefore, one has the option of reporting it as "other income".
Is Federal Tax Reform Possible? What Would it look Like? What are the Potential Impacts on the States?

As the 2016 election has now passed, congress and the new administration are now focusing on their legislative priorities for the 115th Congress. The issue of comprehensive tax reform is high on the priority list. This panel discussion will examine the prospects of passing tax reform this coming year, what it would look like, and what the potential impact of tax reform would be on the states.

- Rachelle Bernstein, National Retail Federation (NRF)
- Jeff Hurley, National Conference of State Legislatures (NCSL)
- Bill Hoagland, Bipartisan Policy Center

3:30 – 4:00 p.m. Streamlined Sales Tax and Business Advisory Council Update

Members of the Business Advisory Council will provide an update and will discuss issues they would like streamlined sales tax states to address. Craig Johnson, Executive Director of the Streamlined Sales and Use Tax Governing Board, will also provide an update and what he expects the future of SST to be if, and when, congress or the courts reverse the Quill decision.

- Charles Collins, ADP
- Craig Johnson, Streamlined Sales and Use Tax Governing Board
- Fred Nicely, Council on State Taxation (COST)

4:00 – 5:00 p.m. Principles for Tax Reform and Political Realities

In 1985, a group of legislators and legislative staff convened by the National Conference of State Legislatures and the Lincoln Institute of Land Policy drafted the report, Principles of a High-Quality State Revenue System (now in its 4th edition), that has served as a guide for evaluation and modification of existing state and local revenue systems. But while policymakers and academics generally agree on the report’s 9 principles, implementing the changes in a state has often been found to be politically difficult. This roundtable session will discuss the 9 principles as well as the political realities of implementing conforming tax changes in a state.

- Senator Deb Peters, South Dakota
- John Mikesell, Indiana University Bloomington

5:00 – 5:15 p.m. Tax Expenditure Normal Tax Base

At the last Task Force meeting in Chicago, the Task Force Workgroup on Tax Expenditures continued the discussion of a draft document that aims to address how to define the “normal tax base” as it relates to tax expenditure reports and budgets. This roundtable session, led by Representative Jay Kaufman, will discuss the draft document as well as a document that considers the best practices on evaluating tax expenditures.

- Representative Jay Kaufman, Massachusetts

5:30 – 8:30 p.m. Task Force Reception and Dinner

The Task Force reception and dinner will be held on the Dana Lawn at the Ritz Carlton.

**Reception and Dinner are for Task Force Members, Sponsors, and Invited Guests Only**

**DID YOU KNOW?** Due to a federal law, importing toys resembling humans are taxed higher than those that do not. Marvel successfully argued in court that because their X-Men action figures are mutants, they should be exempt from such taxes.
Saturday, November 19th

7:30 – 8:30 a.m.  Breakfast

8:30 – 9:30 a.m.  Communications Disruption and State Taxation

There is undoubtedly disruption in the communications industry. This year, approximately half of all households did not have a landline telephone and were “wireless only”; audiences are increasingly using on-demand streaming services, such as Netflix, Amazon and Hulu, rather than tuning in to watch cable or digital television; and traditional products and services are increasingly being provided electronically and through apps. This roundtable discussion with the communications industry will explore what these trends mean for communications taxation at the state and local levels.

❖ Roy Adkins, Centurylink
❖ Ellen Berenholz, Comcast
❖ Deborah Bierbaum, AT&T
❖ Meredith Garwood, Time Warner Cable
❖ Stacey Sprinkle, Verizon

9:30 – 10:15 a.m.  Rhyme and Reason Behind COST’s Tax Policy Statements

This session will provide background on how the Council On State Taxation develops its policy positions which guides the COST advocacy efforts. In addition to covering the process COST uses to develop its policy statements, the panelist will review a couple policy statements and why they are important to businesses engaged in interstate commerce.

❖ Deborah Bierbaum, AT&T
❖ Karl Frieden, Council on State Taxation (COST)
❖ Bob Montellione, Prudential
❖ Fred Nicely, Council on State Taxation (COST)

10:15 – 10:45 a.m.  The Impact of State Tax Changes on Financial Reporting of Publicly Traded Companies

At the last task force meeting in Chicago, the Task Force held a session that discussed how companies may experience a change in their actual tax liability as a result of changes to tax laws, but that the financial costs of having to immediately recognize additional tax expense for financial reporting purposes is not always evident. This session will continue this discussion of the possible financial reporting impacts for publicly traded companies when states change how they tax business.

❖ Stephen Kranz, McDermott Will & Emery LLP
❖ Michael Mazerov, Center on Budget and Policy Priorities
❖ Angela Pitale, Nextera Energy

10:45 – 11:15 a.m.  Taxation of Short Term Rentals

As short-term rentals booked via online marketplaces continue to grow in popularity, it's important for lawmakers to consider their impact on state and local tax codes. Liz Malm of MultiState Associates will provide an update and overview of current state and local action and outline options for short term rental tax collection mechanisms.

❖ Liz Malm, Multistate Associates
11:15 – Noon  From Legislator to Administrator, a Discussion with Fiona Ma

Fiona Ma, who formerly served on the NCSL Executive Committee and NCSL SALT Task Force, served in the California State Assembly from 2006-2012 and was subsequently elected to the California Board of Equalization (BOE) in 2014. In February of 2016, she was selected as chairwoman of the BOE, which administers California’s tax programs in four general areas: sales and use taxes, property taxes, special taxes and the tax appellate program. This session will feature a discussion with Chairwoman Ma and her experience from being a drafter of tax legislation to tax administrator.

❖ Fiona Ma, Chairwoman, California Board of Equalization (BOE) - invited

Noon   Task Force Adjourns

DID YOU KNOW?

The cowardice tax (properly known as scutage) was a special tax levied against people who chose not to fight for the English King (not just for reasons of cowardice).

The institution existed under Henry I (reigned 1100–1135) and was initially relatively cheap, but then King John raised it by 300% and started charging it to all knights in years in which there were no wars. This is partly what led to the Magna Carta. The tax lasted for around 300 years and was eventually replaced by other methods of fund-raising from the military.
Next Task Force Meeting

January 14, 2017
9:00 A.M. – 5:00 P.M.
Scottsdale, Arizona

In conjunction with the
Winter Meeting of the
NCSL Executive Committee

National Conference of State Legislatures
Washington
444 North Capitol Street, N.W., Suite 515
Washington, D.C. 20001
Tel: 202-624-5400 | Fax: 202-737-1069

Denver
7700 East First Place
Denver, CO 80230
Tel: 303-364-7700 | Fax: 303-364-7800
Task Force Membership
Co-Chair, Senator Pam Althoff, Illinois
Co-Chair, Delegate Sheila Hixon, Maryland
Co-Chair, Representative Chris Perone, Connecticut
Vice-Chair, Representative Julie Stokes, Louisiana

Representative Janet Ancel, Vermont
Councilmember Anita Bonds, Washington D.C.
Senator Curtis Bramble, Utah
Representative Kevin Brooks, Tennessee
Assemblywoman Irene Bustamante-Adams, Nevada
Representative Lance Clow, Idaho
Senator Dwight Cook, North Dakota
Representative Justin Cronin, South Dakota
Senator Alberta Darling, Wisconsin
Representative Dan Flynn, Texas
Representative Jason Harper, New Mexico
Senator Wayne Harper, Utah
Senator Judson Hill, Georgia
Senator Toi Hutchinson, Illinois
Representative Jay Kaufman, Massachusetts
Senator Luke Kenley, Indiana
Representative Brian Kennedy, Rhode Island
Representative John Macco, Wisconsin
Representative Norman Major, New Hampshire
Senator Gwen Margolis, Florida
Delegate Eric Nelson, West Virginia
Assemblyman Felix Ortiz, New York
Representative Joyce Peppin, Minnesota
Senator Deb Peters, South Dakota
Senator Neil Riser, Louisiana
Senator Ann Rest, Minnesota
Representative Scott Saiki, Hawaii
Representative Gary Scherer, Ohio
Representative Chris Sells, Alabama
Representative Julie Stokes, Louisiana
Senator Ryan Silvey, Missouri
Senator Jim Smith, Nebraska
Representative David Santiago, Florida
Representative John Szoka, North Carolina
Representative John Wray, Texas

Legislative Staff
Randy Dowell, Oklahoma
Megan Moore, Montana
Dan Schmidt, Wisconsin
Esther Van Mourik, Colorado

NCSL Staff
Max Behlke, Director, SALT Task Force
Jeff Hurley, Director, Budgets and Revenue Committee
Jake Lestock, Policy Associate

2016-2017 NCSL National Officers
Senator Michael Gronstal (Iowa), President
Senator Deb Peters (South Dakota), President-elect
Senator Michael Sanchez (New Mexico), Vice President
Senator Curtis Bramble (Utah), Immediate Past President

William Pound, Executive Director