



NATIONAL CONFERENCE *of* STATE LEGISLATURES

*The Forum for America's Ideas*

**EXECUTIVE COMMITTEE TASK FORCE ON STATE AND LOCAL TAXATION**

**TASK FORCE MEETING**

**AUGUST 2-3, 2015**

**THE SHERATON SEATTLE HOTEL**

**METROPOLITAN BALLROOM B**

**SEATTLE, WASHINGTON**

**Sunday, August 2**

**1:00 – 5:00 p.m.**

*Metropolitan Ballroom B*

**Task Force Meets**

**1:00 – 1:05 p.m.**

**Welcome**

Overview of the Task Force meeting and attendee introductions.

**Co-Chairs**

- Senator Pam Althoff, Illinois
- Delegate Shelia Hixson, Maryland
- Representative Chris Perone, Connecticut

**1:05 – 1:30 p.m.**

**Federal Legislation: e-Fairness**

Update and discussion of federal legislation that would enable states the ability to collect the sales and use taxes they are owed on remote transactions.

**Panelists**

- Max Behlke, National Conference of State Legislatures (NCSL)
- Joe Rinzel, Retail Industry Leaders Association (RILA)
- Craig Johnson, Streamlined Sales Tax Governing Board (SSTGB)

**1:30 – 2:00 p.m.**

**State Efforts: e-Fairness**

Update and discussion of state efforts to collect the sales and use taxes they are owed on remote transactions.

**Panelists**

- Stephen Kranz, McDermott Will & Emery
- Joe Crosby, Multistate Associates
- Leslie Fox, International Council of Shopping Centers (ICSC)

**2:00 – 2:30 p.m.**

**Business Meeting**

Task Force members will discuss, review, and vote upon policies and resolutions up for consideration.

**Presiding**

- Senator Pam Althoff, Illinois
- Delegate Shelia Hixson, Maryland
- Representative Chris Perone, Connecticut

2:30 – 3:30 p.m.

### **Property Taxation**

During the November Task Force meeting in Scottsdale, the Task Force heard from panelists about property tax administration. This session will discuss strengths and weaknesses of the property tax and discuss options that states can consider to improve their property tax systems. This session will discuss revenue trends and political pressure in states in 2016 as they relate to real property taxes. Ed Noonan of United Rentals, will then provide a five minute update on personal property taxes.

#### **Panelists**

- Joe Crosby, Multistate Associates
- Ed Noonan, United Rentals
- Adam Langley, Lincoln Institute of Land Policy

3:30 – 4:00 p.m.

### **Property Taxation of Communications Infrastructure**

At the Scottsdale meeting in November, the task force heard an update on the task force project focused on providing a primer for legislatures on the issue of property taxation of communications infrastructure. During this session, task force staff and members of the communications industry will provide an update on the document for task force consideration.

#### **Panelists**

- Max Behlke, National Conference of State Legislatures (NCSL)
- Jeff Hurley, National Conference of State Legislatures (NCSL)
- Scott Mackey, KSE Partners
- Deborah Bierbaum, AT&T
- Ellen Berenholz, Comcast

4:00 – 5:00 p.m.

### **Taxation of Marijuana**

23 states, the District of Columbia, and Guam have legalized medicinal marijuana and 4 states and the District of Columbia have approved recreational use. And as more states consider legalization, states that have continue to grapple with how it is taxed. This session will consider the issues around the assesment, enforcement, and remittance of taxes of a substance that is still classified as a Schedule 1 drug federally.

#### **Panelists**

- John Schochet, Deputy Chief of Staff, Seattle Attorney's Office
- Hilary Bricken, Harris Moure PLLC
- Randy Simmons, Washington Liquor Control Board
- Andrew Freedman, Colorado Governor's Office of Marijuana Coordination (via phone)

7:00 p.m.

### **Task Force Reception/Dinner**

(For Task Force Members and Sponsors)

#### **Blueacre Seafood**

1700 7th Avenue, Seattle, WA 98101  
(5 minute walk from Hotel)

## **Monday, August 3**

8:00 a.m. – 1:15 p.m.  
*Metropolitan Ballroom B*

### **Task Force Meets**

7:00 – 7:55 a.m.

### **Breakfast**

8:00 – 9:00 a.m.

### **Transportation Funding**

In recent years, transportation funding has become one of the most significant issues at both at the federal and state levels. And as construction costs rise, the emergence of alternative fuel vehicles, and increased fuel efficiency of gasoline powered vehicles, existing revenue streams aren't cutting it. This session will explore the history of transportation revenue streams and will explore what states can do to generate the necessary dollars to maintain and upgrade the nation's roads and bridges.

### Panelists

- Bill Kramer, Multistate Associates
- Ben Husch, National Conference of State Legislatures (NCSL)
- Carl Davis, The Institute on Taxation and Economic Policy (ITEP)
- Senator Bruce Starr, Oregon

9:00 – 9:15 a.m.

### Between a Rock and a Hard Place—Class Action versus Qui Tam

This session will include a discussion of how consumer protection, unfair trade practice, and qui tam statutes are being used to override and distort state tax policy, and efforts to develop a solution.

### Panelists

- Deborah Bierbaum, AT&T

9:15 – 9:45 a.m.

### Tax Expenditure Reports

The primary goal of state tax expenditure reports (or budgets) is to provide information to the public and policymakers about preferential tax provisions that reduce overall tax revenue. However, defining what is “normal” in tax expenditure reports can be open for interpretation. The panel will continue the discussion from November to provide clarity on how to understand the baseline, or defining the “normal tax base”, for state tax expenditures.

### Panelists

- Joe Crosby, Multistate Associates
- Joe Henschman, Tax Foundation
- Michael Mazerov, Center on Budget and Policy Priorities

9:45 – 10:45 a.m.

### Virtual Currency

During the January meeting, the Task Force was introduced to the topic of virtual currency and issues that arise regarding its regulation and issues of taxation. This session will expand on that discussion, provide an update of what has occurred since January, and the tax implications of what states should consider in this policy arena.

### Panelists

- Joel Waterfield, Grant Thornton LLP
- John Collins, Coinbase

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10:45 – 11:00 a.m.

### Transfer to Washington State Convention Center

*Washington State Convention Center  
Room 611-614*

11:00 a.m. – 1:15 p.m.

### Fraud Alert! A New Wave of Federal and State Tax Return Fraud – Luncheon

While no one enjoys paying taxes, everyone likes to receive a tax refund. So, when thousands of taxpayers this year, upon filing their taxes, learned that their refunds had already been paid to someone else, they were understandably confused and incensed. This session will dive into this 21<sup>st</sup> Century form of tax fraud, what the federal government is doing about, and will provide options for states to address this problem and protect the taxpayers in their states.

*NCSL gratefully acknowledges American Coalition for Taxpayer Rights (ACTR) for sponsoring this session*

### Panelists

- Representative Jay Kaufman, Massachusetts (Moderator)
- Steve Ryan, McDermott Will & Emery
- Paul Mamo, Submission Processing, Internal Revenue Service
- Corey Smith, Tax Division, U.S. Dept of Justice
- David Sullivan, Rhode Island Department of Revenue
- Senator Curt Bramble, Utah