



# The Best and Worst of State Tax Administration

## COST Scorecard on State Tax Appeals & Procedural Requirements

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### Executive Summary

The Council On State Taxation (COST) has long monitored and commented on state tax appeals processes and administrative practices. Part of that effort has resulted in the regular publication of a scorecard ranking the states. Our focus is on the states' adoption of procedural practices that impact the fairness of states' laws and regulations for the administration and appeal of state tax matters. Why are these issues so important? Although compliance with state tax statutes and regulations is subject to audit scrutiny, the percentage of taxpayers actually audited is small. As a result, our federal and state tax systems are premised, to a great degree, on voluntary compliance. It is a common truth that taxpayers will more fully and willingly comply with a tax system they perceive to be balanced, fair, and effective. Taxpayers operating in a system they perceive as oppressive, unfair, or otherwise biased are less likely to voluntarily comply. The clear message to state tax policymakers is that they must be sensitive to the compliance implications and competitiveness concerns created by poor tax administrative rules and ineffective tax appeal systems.

The COST Scorecard on State Tax Appeals & Procedural Requirements seeks to objectively evaluate state statutes and rules that govern the degree of taxpayer access to an independent appeals process and state treatment of selected procedural elements that impact taxpayers' perceptions of fairness and efficiency. For these purposes, the essential elements of an effective and independent state tax appeals process are as follows:

- The appeals forum must be truly independent;
- Taxpayers must not be forced to pay or post a bond prior to an independent hearing and resolution of a dispute;
- The record for further appeals must be established before an independent body; and
- The arbiter at the hearing must be well-versed in the intricacies of state tax laws and concepts.

The procedural elements evaluated in this Scorecard consider whether the state has adopted:

- Even-handed statutes of limitations for refunds and assessments;
- Equalized interest rates on refunds and assessments;

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- Due dates for corporate income tax returns at least one month beyond the federal due date, with an automatic extension of the state return due date based on the federal extension;
- Adequate time to file a protest before an independent dispute forum;
- Reasonable and clearly defined procedures for filing amended state income/franchise tax returns following an adjustment to a taxpayer’s federal corporate tax liability; and
- Transparency in the form of published letter rulings (redacted) and administrative/tax tribunal decisions.

Further, the Scorecard identifies certain ineffective, burdensome, or inequitable practices not otherwise reflected in the Scorecard categories. For 2023, the Scorecard includes in such “other issues” instances where states (or their localities): 1) impinge upon taxpayer due process rights by enacting unreasonable retroactive tax legislation; 2) fail to provide an effective “safe harbor” (at least 30 days) before personal income tax liability and withholding requirements attach for nonresident employees temporarily traveling in a state for work purposes; 3) include a significant percentage of federal GILTI (global intangible low-taxed income) in the tax base without foreign factor representation, and/or fail to provide sufficient guidance for how taxpayers should apportion GILTI; and 4) impose any other burdensome, inequitable, or ineffective administrative practices or procedures, as noted.

## Top-Ranked States & Bottom-Ranked States

### 2023 Top-Ranked States

| State      | Grade |
|------------|-------|
| Illinois   | A     |
| Indiana    | A     |
| Montana    | A     |
| Arizona    | A-    |
| New Mexico | A-    |
| Virginia   | A-    |

### 2023 Bottom-Ranked States

| State                | Grade |
|----------------------|-------|
| Maryland             | D-    |
| North Dakota         | D-    |
| District of Columbia | D-    |
| Delaware             | D     |
| Hawaii               | D     |
| Idaho                | D     |
| South Carolina       | D     |
| South Dakota         | D     |

**Awards & Demerits:** This Scorecard continues a tradition of recognizing significant improvements in state tax administration. In 2019, the award for “most improved” went to California, which adopted significant reforms, including creation of the Office of Tax Appeals, an independent tribunal. Texas and Kentucky received “Honorable Mention.” Texas improved its administrative transparency and increased the State’s protest period, and Kentucky established the new Kentucky Claims Commission, an independent tax tribunal. While many states have adopted notable improvements since the 2019 Scorecard, certain states deserve special recognition for adopting multiple changes in accordance with COST’s recommendations for fair and efficient tax administration. Unfortunately, many of the low-ranking states in 2019 are consistent in their administrative shortcomings and missed opportunities to make bold reforms since the previous Scorecard. Other states exacerbated their already unfair and punitive practices and dropped to even lower scores in this Edition. Below are COST’s 2023 awards and demerits, respectively, for some of these “notable” states.

## Most Improved

- **Louisiana --** By any metric, the State of Louisiana earns the most improved award in the 2023 Edition of the COST Administrative Scorecard, moving from a “D” grade in 2019 to a solid “B+” in the current Scorecard. Shortly after issuance of the 2019 version, leadership of the Louisiana legislature, most notably the then-Chair of the Senate Revenue and Fiscal Affairs Committee, visited COST in DC to work on improvements to the State’s tax administration. Over the next three years, led by Senate sponsorship, the legislature passed legislation addressing many of the deficiencies noted in the 2019 COST Scorecard. These included equalization of interest rates (for the State and Parishes); lengthening of the protest period; improvements to the process for reporting federal changes; removing DOR funding through penalty assessments; increasing vendor compensation; requiring local jurisdictions to use the independent Board of Tax Appeals for local sales tax

disputes; adoption of the COST Model Mobile Workforce threshold for nonresident withholding (still need to move from 25 days to 30 days); and extension of the corporate due date to one-month after the federal due date with an automatic extension. While this list of accomplishments is remarkable for its breadth, it is perhaps more remarkable to note that several of these changes also apply to Parish-level tax administration as well, an arena where many thought meaningful change would take decades to implement. And efforts continue in Louisiana – particularly on centralized administration of the Parish-level sales tax system after the U.S. Supreme Court’s decision in *South Dakota v. Wayfair*. Although the initial stab at enacting centralized sales administration failed at the ballot box, proponents continue to seek ways to reach that significant milestone in Louisiana.

## Honorable Mention

- Montana** -- Montana improved its overall score from a “B” in 2019 to an “A” in 2023, in large part through changes in the State’s laws governing the reporting requirements for federal tax changes. Notably, since the 2019 scorecard, Montana has statutorily defined “final determination” and increased the number of days to report IRS changes from 90 days to 180 days. Additionally, in 2022, Montana enacted legislation (H.B. 53, Laws 2022) which substantially aligns the State with the MTC Consensus Model for reporting federal partnership adjustments. Montana also made great strides in the area of fair and efficient administration by enacting legislation (H.B. 447, Laws 2023) which establishes a 30-day safe harbor for non-resident employees who travel to the State to perform work duties. While the bill is a step in the right direction, there is room for improvement. The bill adds unnecessary complexity by containing an exception to the 30-day safe harbor for employees who earn over \$500,000 in compensation in the prior year. Finally, although not an issue covered by the Scorecard, Montana also deserves praise for legislation in 2023 (S.B. 246, Laws 2023) which removed the punitive tax haven “blacklist” contained in the State’s statutes.
- Colorado** -- Like Montana, Colorado also made strides in improving its tax administration system and improved its overall score from a “D” in 2019 to a “C+” in 2023. The State made changes in two key areas of the Scorecard, the reporting requirements for federal tax changes and the due date for corporate tax returns, with the enactment of one bill (H.B. 23-1277, Laws 2023). H.B. 23-1277 incorporates the MTC’s consensus model legislation and moves the State to 180 days for the reporting of IRS changes (after January 1, 2024). H.B. 23-1277 also extends Colorado’s corporate income tax return due date due to one month after the federal return due date. While Colorado is applauded for these changes, there remains room for improvement in its tax administration system. The State does not yet have an independent tax tribunal and nonresident employees temporarily travelling into the state for work are subject to withholding on the first day in the State.
- New Jersey** – New Jersey also improved its score from 2019, moving from a “C-” to a “B-”, due in part to its alignment with the MTC’s consensus model legislation. However, the State bears mentioning in this category for its approach to substantially revising its Corporation Business Tax in 2023 (A.B. 5323, Laws 2023). The bill was the result of multi-year discussions between the Division of Taxation and interested stakeholders, including the New Jersey Business and Industry Association (“NJBIA”) and the New Jersey Chamber of Commerce. Additionally, subsequent to the enactment of the bill, the Division of Taxation issued substantial guidance on the bill’s provisions in a timely manner.

## Demerits

- South Carolina** dropped from a “C+” grade in 2019 to a “D” in this 2023 edition of the COST Administrative Scorecard. As in 2019, the State continues to levy a higher interest rate on assessments than they pay on refunds, an inherently unfair discrepancy given that interest is meant solely to account for the time value of money. The State also continues to lack a requirement for tax expertise for judges serving on the Administrative Law Court who hear tax cases, and confusion continues to exist surrounding the process for reporting federal tax changes to the State. Unfortunately, the State earned additional points in this Scorecard for aggressively pursuing forced unitary combined reporting as an alternative apportionment methodology against large taxpayers without a discernible standard other than increasing revenue (South Carolina statutes require separate entity filing). The Department of Revenue also continues to pursue through the courts the retroactive imposition

of a marketplace law for years prior to the State’s enactment of such a law. Finally, the State imposes a small dollar threshold for determining when a nonresident employee traveling into the State incurs a personal income tax liability and thereby also triggers a withholding requirement on the employer. Small dollar thresholds are a particular trap for the unwary for nonresident traveling employees and their employers.

- **Nebraska** also dropped from a “C” grade in 2019 to a “D” grade in 2023. The State continues to labor in its tax administration without an independent tax tribunal for hearing cases before independent judges with significant state tax expertise. Nebraska offers only 60 days to report federal changes to the State, a process which can require hundreds, if not thousands, of amended returns for a multijurisdictional consolidated filing group. The State’s Department of Revenue also includes federal GILTI (global intangible low-taxed income) in the tax base without clear legislative authority. The State also imposes personal income tax liability on nonresident traveling employees (and related withholding on employers) as of the first day such employees step into the State. Although those rules are rarely enforced, the fact that they remain in the State’s laws raises the specter of selective or unequal enforcement against those who make a best-effort at compliance and those who choose to ignore the law altogether.

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## Introduction: About the Scorecard

This Scorecard is the eighth edition published by COST to objectively analyze state treatment of significant procedural and appeal issues that reflect whether states provide fair, efficient, and customer focus tax administration. This Scorecard expands on and updates the 2001, 2004, 2007, 2010, 2013, 2016, and 2019 versions<sup>1</sup> and serves as a tool for policymakers seeking to improve tax administration and the business tax climate in their states. As with previous versions, this Scorecard is designed to provide objective criteria and research by which to judge state tax administration.

The Scorecard’s standards for the “best” in state tax administration remain fairly consistent, but in the 2023 edition we have expanded our inquiry into several troublesome trends in state taxation, including selective enforcement of withholding requirements and liability for personal income taxes of nonresident traveling employees; and state inclusion of federal GILTI (global intangible low-taxed income) and other foreign source income in the corporate income tax base without clear guidance on how to apportion the income or full recognition of the foreign factors that helped generate that income. We also take a closer look at some of the traditional Scorecard elements (*e.g.*, tax expertise for independent tribunals, “pay to play” for subsequent appeals, inequities in the computation of interest, and adequate time periods to file protests) to ensure states are achieving COST’s standards, as well as to better apply these standards consistently across the states. Note that in the 2019 version of the Scorecard we accepted 60 days as an adequate protest period. In the 2023 edition, we have raised the bar to the 90-day standard recommended in the American Bar Association’s *Model State Administrative Tax Tribunal Act*.<sup>2</sup> COST will continue to seek ways to expand the scope of the Scorecard to better reflect the breadth of state tax administrative practices.

### *Objectivity of Scorecard*

A note on objectivity: this Scorecard is a counterpart to subjective views on state tax administration which can vary greatly from taxpayer to taxpayer. While the Scorecard evaluates each state’s statutory and regulatory scheme against objective criteria, a subjective approach reflects corporate tax executives’ views of state tax environments. To properly gauge taxpayer responses to specific state administrative systems, the approach taken by COST (assessing objective criteria) and the subjective approach (based on taxpayers’ experiences) should be viewed in conjunction. Taken separately, each approach may be fairly criticized. Analyzing a set of objective criteria creates a useful benchmark for comparison of administrative practices from state to state but fails to recognize burdensome or unfair administrative practices applied within a sound statutory framework. Conversely, an evaluation of taxpayer responses to subjective questions might mask a deficient statutory framework by recognizing only the goodwill engendered by fair and competent tax administrators.

## Grading the States

The first part of the Scorecard evaluates state tax appeals processes by asking two questions: 1) whether the appeals system is truly independent and 2) whether a taxpayer must prepay the disputed tax or assessment prior to an opportunity for an independent hearing or for further appeals. Two other considerations are also paramount, however, in evaluating appeals systems, and are addressed in these two columns of the Scorecard: 3) whether the tribunal's judges have the requisite expertise in evaluating the complexities of state tax law, and 4) whether the taxpayer has the opportunity for a "hearing of record" (*i.e.*, trial *de novo*) at an independent tribunal that would form the basis of further appeals. Together, these requirements mirror the essential components of the *Model State Administrative Tax Tribunal Act*<sup>3</sup> developed by the State and Local Tax Committee of the American Bar Association which has been proposed and adopted, with COST's support, in a number of states. It is COST's view that these elements, at a minimum, should be a part of any state's tax appeals process to achieve fairness, efficiency, and a customer-focused tax environment.

Other elements evaluated in this Scorecard consider whether the state has adopted:

- Even-handed statutes of limitations for refunds and assessments;
- Equalized interest rates on refunds and assessments;
- Adequate time to file a protest before an independent dispute forum;
- Due dates for corporate income tax returns at least one month beyond the federal due date with an automatic extension of the state return due date based on the federal extension;
- Reasonable and clearly defined procedures for filing amended state income/franchise tax returns following an adjustment to a taxpayer's federal corporate tax liability; and
- Transparency in the form of published letter rulings (redacted) and administrative/tax tribunal decisions.

The Scorecard also identifies and evaluates any additional ineffective, burdensome, or inequitable practices not otherwise reflected in the Scorecard categories. For 2023, the Scorecard includes in such "other issues" instances where states (or their localities): 1) impinge upon taxpayer due process rights by enacting unreasonable retroactive tax legislation, interest, or penalties; 2) fail to provide an effective "safe harbor" (at least 30 days) before personal income tax liability and withholding requirements attach for nonresident employees temporarily working in the state; and 3) impose any other burdensome, inequitable, or ineffective administrative practices or procedures, as noted.

By focusing on objective criteria, the 2023 Scorecard gives states the opportunity to enact corrective legislation as a means of improving tax and business climates. Indeed, since the publication of the 2019 COST Scorecard, many states have taken steps to improve their administrative and appeals processes. Some of the more significant improvements are noted in our "awards" section of the Scorecard, above. It is our hope that publication of this Scorecard will continue to spur policymakers toward additional improvements in the rules and procedures for tax administration and the independent appeal of tax matters in all states.

## *Scoring System*

Point totals for the Scorecard are determined by assessing:

- One point each for failure to meet the following: 1) provide an independent tax tribunal; 2) the independent tribunal hears cases *de novo* and establishes the record for further appeal; and 3) the independent forum is dedicated to handling tax disputes, and its judges are required to possess sufficient state tax expertise.
- One point each for failure to meet the following: 1) no prepayment or bond requirement to obtain an independent appeals forum hearing and 2) no prepayment or bond requirement for any level of subsequent appeals.
- Two points if the state fails to apply a statute of limitations generally the same for refunds and assessments, or one point for states that generally apply the same statute of limitations but limit the statute against taxpayers in certain circumstances (*e.g.*, for sales tax refunds or for refunds based on constitutional issues).
- Two points if the state fails to apply equal rates of interest for assessments and refunds, or one point for a) states that apply the same rates of interest but do not calculate interest from comparable dates; or b) unreasonable interest levied on certain types of overpayments (*e.g.*, states that calculate interest on

assessments from the date of filing of the refund claim instead of from the due date or actual date of the overpayment, or states denying interest if an overpayment is deemed a taxpayer error).

- Two points if the state provides only 30 days or less to appeal an assessment, or one point if the state provides less than 90 days. Zero points are levied for states that provide 90 days or more to protest an assessment.
- One point each for failure to meet the following: 1) provide an extended corporate return due date at least one month after the federal extended return due date and 2) provide an automatic extension of time to file if a federal extension is granted.
- Up to three points cumulative for failure to meet certain elements for reporting changes resulting from a federal audit. These include whether the state has a definition of “final determination” based on exhaustion of all appeals for a tax year; provides at least 180 days to file a return or report after such final determination; allows prepayments during a pending audit to toll interest charges; and provides equal time periods for assessments and refunds resulting from a federal change. We also evaluate whether a federal change opens the state return for audit items not related to the federal change when the change is beyond the state’s normal statute of limitations. Finally, because many of these elements are addressed in the MTC model addressing partnership audit adjustments and reporting of federal changes, we assess a point for states that have not yet conformed to the MTC Consensus Model Language (see explanation below).
- One point each for failure to meet the following: 1) provide and publish binding, written guidance to requesting taxpayers and 2) publicly release tax rulings and decisions of an administrative adjudicatory body (e.g., tax agency hearings division and/or independent tax appeal forum).
- One point for either imposing taxes on a retroactive basis, enacting legislation that reverses a state appellate tax decision retroactively, or a state court decision that upholds retroactive tax legislation.
- Two points for states that require employers of nonresident traveling employees to withhold from employees’ salaries on the first day of travel to the state. One point is levied if the state enforces a non-uniform threshold (either in dollars or days) before withholding attaches. To encourage uniformity in this area, we credit a point to those states that have substantially adopted the COST Model Mobile Workforce statute<sup>4</sup> that provides a safe harbor of 30 days before liability or withholding requirements for personal income taxes are imposed on nonresident employees who travel in the state for business purposes.
- Two points for states that provide no foreign factor representation when including at least 10% of foreign source income (including GILTI) in the tax base, and one point for states that provide no clear guidance on what their position is on allowing foreign factor representation. The Scorecard does not evaluate states on whether (and how much) foreign source income is included in the corporate income tax base.

Scores are based on COST’s determination of the relative importance of specific issues to business taxpayers and the presence or absence of mitigating and/or aggravating circumstances. In general, one point is assigned to the “Other Issues” category for each issue found to impact a state’s fair and efficient tax administration.

The final grades are based on the following scale:

|   |              |
|---|--------------|
| A | 3-5 points   |
| B | 6-8 points   |
| C | 9-11 points  |
| D | 12-14 points |
| F | 15+ points   |

### *Summary Results*

The Summary Table on Page 7 ranks each state’s statutes and rules in the areas described above. Although much progress has been made since the inaugural COST Scorecard, numerous states are significantly behind the curve in providing fair and efficient tax administration and appeals procedures. Detailed survey data for each state is provided beginning on page 16.

|    | Independent Tax Dispute Forum | Pay-to-Play & Adequate Time for Appeal | Even-Handed Statutes of Limitations and Interest Rates | Corporate Return Due Date and Extensions | Reporting of Federal Corporate Tax Changes | Transparency in Tax Guidance and Rulings | Other fairness issues | Total | Grade |
|----|-------------------------------|--|--|--|--|--|-----------------------|-------|-------|
| AL | 1                             | 3                                      | 2  | 0  | 2  | 1  | 2                     | 11    | C-    |
| AK | 0                             | 2                                      | 1  | 0  | 3  | 1  | 1                     | 8     | B-    |
| AZ | 0                             | 1                                      | 0  | 0  | 3  | 0  | 1                     | 5     | A-    |
| AR | 0                             | 1                                      | 1  | 0  | 3  | 0  | 2                     | 7     | B     |
| CA | 0                             | 2                                      | 2  | 0  | 2  | 0  | 1                     | 7     | B     |
| CO | 1                             | 3                                      | 2  | 0  | 0  | 1  | 2                     | 9     | C+    |
| CT | 2                             | 1                                      | 2  | 1  | 3  | 1  | 1                     | 11    | C-    |
| DE | 1                             | 2                                      | 2  | 1  | 3  | 1  | 3                     | 13    | D     |
| DC | 1                             | 3                                      | 2  | 2  | 3  | 2  | 1                     | 14    | D-    |
| FL | 2                             | 2                                      | 1  | 2  | 3  | 0  | 0                     | 10    | C     |
| GA | 0                             | 3                                      | 1  | 1  | 2  | 0  | 1                     | 8     | B-    |
| HI | 0                             | 3                                      | 3  | 1  | 3  | 1  | 1                     | 12    | D     |
| ID | 2                             | 3                                      | 0  | 1  | 3  | 1  | 2                     | 12    | D     |
| IL | 0                             | 1                                      | 0  | 0  | 3  | 0  | -1                    | 3     | A     |
| IN | 0                             | 1                                      | 1  | 0  | 2  | 0  | -1                    | 3     | A     |
| IA | 3                             | 1                                      | 0  | 1  | 2  | 0  | 2                     | 9     | C+    |
| KS | 0                             | 2                                      | 0  | 0  | 3  | 0  | 2                     | 7     | B     |
| KY | 0                             | 1                                      | 3  | 0  | 1  | 0  | 2                     | 7     | B     |
| LA | 0                             | 2                                      | 1  | 0  | 0  | 1  | 3, -1                 | 6     | B+    |
| ME | 1                             | 1                                      | 1  | 0  | 3  | 1  | 1                     | 8     | B-    |
| MD | 1                             | 3                                      | 2  | 1  | 3  | 0  | 4                     | 14    | D-    |
| MA | 1                             | 2                                      | 2  | 1  | 3  | 0  | 2                     | 11    | C-    |
| MI | 0                             | 1                                      | 2  | 1  | 0  | 0  | 4                     | 8     | B-    |
| MN | 0                             | 1                                      | 0  | 0  | 1  | 1  | 4                     | 7     | B     |
| MS | 0                             | 1                                      | 1  | 1  | 3  | 2  | 2                     | 10    | C     |
| MO | 1                             | 1                                      | 3  | 1  | 1  | 0  | 2                     | 9     | C+    |
| MT | 0                             | 1                                      | 0  | 0  | 1  | 1  | 0                     | 3     | A     |
| NE | 3                             | 1                                      | 0  | 1  | 3  | 1  | 3                     | 12    | D     |
| NV | 3                             | 3                                      | 2  | n/a                                      | 0  | 2  | 0                     | 10    | C     |
| NH | 2                             | 1                                      | 3  | 0  | 3  | 0  | 0                     | 9     | C+    |
| NJ | 0                             | 0                                      | 2  | 1  | 2  | 1  | 2                     | 8     | B-    |
| NM | 0                             | 0                                      | 2  | 1  | 1  | 0  | 1                     | 5     | A-    |
| NY | 0                             | 1                                      | 3  | 2  | 3  | 0  | 1                     | 10    | C     |
| NC | 1                             | 2                                      | 1  | 2  | 2  | 0  | 2                     | 10    | C     |
| ND | 3                             | 3                                      | 2  | 0  | 3  | 2  | 1                     | 14    | D-    |
| OH | 0                             | 1                                      | 0  | 0  | 3  | 1  | 1                     | 6     | B+    |
| OK | 2                             | 1                                      | 1  | 0  | 3  | 0  | 1                     | 8     | B-    |
| OR | 0                             | 1                                      | 1  | 0  | 3  | 1  | 1                     | 7     | B     |
| PA | 1                             | 1                                      | 3  | 0  | 2  | 0  | 1                     | 8     | B-    |
| RI | 0                             | 3                                      | 2  | 1  | 3  | 0  | 2                     | 11    | C-    |
| SC | 1                             | 1                                      | 2  | 2  | 3  | 0  | 3                     | 12    | D     |
| SD | 3                             | 2                                      | 1  | 1  | 3  | 2  | 0                     | 12    | D     |
| TN | 2                             | 2                                      | 0  | 1  | 3  | 1  | 0                     | 9     | C+    |
| TX | 1                             | 2                                      | 1  | 1  | 2  | 0  | 1                     | 8     | B-    |
| UT | 0                             | 3                                      | 0  | 1  | 3  | 0  | 1                     | 8     | B-    |
| VT | 3                             | 1                                      | 0  | 1  | 2  | 0  | 1                     | 8     | B-    |
| VA | 2                             | 0                                      | 0  | 0  | 1  | 0  | 2                     | 5     | A-    |
| WA | 0                             | 4                                      | 0  | n/a                                      | 0  | 1  | 2                     | 7     | B     |
| WV | 1                             | 2                                      | 2  | 1  | 3  | 1  | 1, -1                 | 10    | C     |
| WI | 0                             | 2                                      | 2  | 0  | 1  | 0  | 1                     | 6     | B+    |
| WY | 0                             | 3                                      | 2  | n/a                                      | 0  | 1  | 0                     | 6     | B+    |

## Barometers of State Tax Administration

### *Fair, Efficient, Independent Appeals*

Foremost in good tax administration is a fair and efficient tax appeal system. States with fair and efficient tax appeal systems share four essential elements:

- An independent tax tribunal;
- Tribunal judges with specific training and experience in tax law;
- No prepayment requirement (or bond posting) for taxpayers disputing a tax before receiving an independent, impartial hearing; and
- The record for further appeals is established before an independent body.

A state's ability to recognize the potential for error or bias in its tax department determinations and provide taxpayers access to an independent appeals tribunal is the most important indicator of the state's treatment of its tax customers.

**Independent Tribunals:** The tax court or tribunal must be truly independent. It must not be located within or report, directly or indirectly, to the department of revenue or to any subordinate executive agency. Without independence, the *appearance* of objectivity is simply not present. That perception, regardless of its accuracy, necessarily detracts from even exemplary personnel and work product of the adjudicative body. Independent tribunals are less likely to be perceived as driven by concerns over revenue collection, upholding departmental policies, or offending departmental decision makers.

Today well over half the states provide an independent appeals process specifically dedicated to hearing tax cases. Although the structure and rules may differ from state to state, taxpayers in these states are able to establish a record for appeal in an independent adjudicative body, before judges well versed in tax matters. The ability to reach an independent tribunal, non-judicial or judicial, without prepayment is another key factor of a fair and efficient appeals process. In addition, many tax dispute systems are designed to allow taxpayers and the state adequate opportunity to meet and discuss settlement opportunities before incurring the hazards and costs of litigation.

States without an independent tax tribunal or similar appeals system limit a taxpayer's real ability to challenge a state tax assessment. States that do not offer an independent tribunal, and/or force taxpayers to appeal based on a record established at a non-independent proceeding, create a less attractive environment for businesses to operate and are more likely to encourage taxpayers to engage in structural tax planning to minimize potential exposure in the state.

**Trained Judges:** Most business tax disputes are complicated. Accordingly, tax tribunal judges must be specifically trained as tax attorneys and have significant state tax experience, and the tribunal should be dedicated solely to deciding tax issues. The tribunal (or court) should be structured to accommodate a range of disputes from less complex tax issues, such as those arising from personal income tax matters, to highly complex corporate tax disputes. The tremendous growth and complexity in the body of tax law and the nature of our multi-jurisdictional economy makes this consideration paramount. Judges not trained in tax law are less able to decide complex corporate tax cases on their merit and a perception exists (rightly or wrongly) that the *revenue impact* of these complex cases too often influences those decision makers as they navigate through the fog of complicated tax statutes, regulations, and precedent. That perception reflects poorly on a state's business climate and reputation as a fair and competitive place to do business.

**No Prepayment Required:** Taxpayers should not be required to post bond or pay a disputed tax before an initial hearing. It is unfathomable that taxpayers may still be denied a fair hearing before being deprived of property (*i.e.*, disputed taxes). It is inherently inequitable to force a corporate taxpayer to pay a tax assessment, often based on the untested assertions of a single auditor or audit team, without the benefit of a hearing and the ability to establish a record before an independent tribunal. Free access to an independent hearing without having one's property confiscated by the law is especially important during difficult state economic climates – once tax money is paid into



the system, it is often difficult or impossible to wrest a refund from the state, even after disputes are resolved in the taxpayer's favor. We evaluate three degrees of state prepayment requirements:

- **Full “Pay to Play”:** Since Massachusetts and Hawaii years ago eliminated their full “pay-to-play” requirements, we are unaware of any state that requires taxpayers to pay an assessed tax upon receipt of a notice of assessment without an opportunity to contest that assessment before even a non-independent tax forum such as the tax commissioner or an administrative hearing officer. Such systems were the scourge of fair tax administration; their elimination represents a significant step forward in fairness.
- **Partial “Pay to Play”:** While no state currently requires payment of a disputed tax prior to the administrative appeals process, some states still require payment of the tax or posting of a bond to obtain access to the circuit or district court level in the case of an adverse decision by an independent non-judicial body, or if the taxpayer elects to bypass the non-judicial forum and proceed directly to the circuit or district court level. In those states, taxpayers are at least granted a hearing before a non-judicial tax tribunal, an administrative hearing officer, or the state tax commissioner before such payment is extracted. The perception of unfairness is more acute, of course, in partial pay-to-play states where the initial hearing is before an adjudicatory body that is not independent of the state's revenue department.
- **No “Pay to Play”:** In some states, taxpayers do not have to pay a disputed tax until all appeals are exhausted. These systems are perceived to be the fairest – in large part because taxpayers are not held hostage by the jurisdiction in possession of taxpayers' funds.

**Jeopardy Situations Justify Prepayment:** We do not question the necessity of state jeopardy assessment and collection authority. If a state revenue department legitimately feels that a particular tax assessment is in jeopardy based on the facts and circumstances before it, it should certainly be allowed to issue a jeopardy assessment. In those rare circumstances, states need the flexibility to move quickly and should do so as long as due process protections are afforded. Such assessments rightfully protect the state fisc. However, the burden of proving that the assessment is in jeopardy should fall on the state. It would be an extremely unusual circumstance for a state to find it necessary to impose a jeopardy assessment on a publicly traded company.

### *Basic Procedural Provisions Reflecting Good Tax Administration*

In addition to an independent tax tribunal accessible without prepayment, state tax administration should include certain fundamental components necessary to a fair, efficient, and customer-focused state tax system. The following are basic procedural elements that COST has determined should be included in every state's law:

**Even-Handed Statutes of Limitations:** Statutes of limitation should apply even-handedly to both assessments and refund claims. Forcing taxpayers to meet a shorter statute of limitations to apply for a refund while granting the tax administrator additional time to issue an assessment is unfair and should not be tolerated in a voluntary tax system. A three-year statute of limitations for assessments should be accompanied by a three-year statute of limitations for refund claims. States with unusual (biased) rules or with unequal statutes of limitations to report federal adjustments are also noted. In addition, claims for refund based on constitutional challenges should not be singled out for discriminatory treatment by shortening the statute of limitations.

**Equalized Interest Rates:** Interest rates should apply equally to both assessments and refund claims. Failure to equalize interest rates diminishes the value of the taxpayer's remedy of recovering tax monies to which it is legally entitled. Interest rates are meant to compensate for the lost time-value of money and should apply equally to both parties. The date from which interest begins to run is also important. Because states levy interest from the due date of the return, taxpayers should likewise receive interest from the date of overpayment of the tax on an original return, although no interest is acceptable if a refund is paid within a reasonable time period, say 60 days from the filing of a tax return, to allow state processing of the return and payment. For separate refund claims, interest should be paid from the date of overpayment of the tax – typically the due date of the original return – and not the date of the filing of the refund claim. Interest should also not be denied for refunds based on taxpayer error, unless the state can prove it was an intentional overpayment. Refunds and liabilities for the same taxpayer should also offset each other in calculating the amount of interest and penalty due.

**Protest Periods:** The first step in the administrative process in most states is the issuance of an assessment with notification of a right to protest. The American Bar Association’s *Model State Administrative Tax Tribunal Act* recommends a 90-day protest period. Any protest period shorter than 90 days is unreasonable and could jeopardize a taxpayer’s ability to fully respond to a proposed assessment. A notice period of 90 days or longer is of increasing importance in a global economy where taxpayers must comply with the laws of numerous jurisdictions. Revenue impacts should not be a concern if the state imposes an even-handed market-based interest rate to account for the time-value of money. Fortunately, many states have increased the number of days to submit a protest as compared to earlier versions of this Scorecard. Even so, numerous states still offer 60 days or less to file protests. While all states now generally offer at least 30 days to protest a tax assessment, COST hopes to see all states grant at least 90 days, consistent with the ABA’s *Model State Administrative Tax Tribunal Act*.

**Return Due Date and Automatic Extensions:** The state’s corporate income tax return due date should be at least one month after the federal tax return due date, or the state’s extended due date should be at least one month after the federal extended due date.<sup>5</sup> Further, the state’s corporate income tax return due date should be automatically extended simply by obtaining a federal extension. By extending state due dates to this point, state tax administrators allow taxpayers to file correct returns based on complete federal return information. Although corporate taxpayers often file a single consolidated federal return, the adjustments necessary to generate the multitude of state tax returns are complex and time-consuming. A minimum of one month beyond the extended federal due date is needed to complete these adjustments. In 2015, the federal government revised the due dates of the original and extended federal return for tax years starting after December 15, 2015 (2016 returns prepared during the 2017 filing season).<sup>6</sup> C Corporation returns are now due on the 15<sup>th</sup> day of the 4<sup>th</sup> month after year-end (April 15 for calendar-year taxpayers) instead of the 15<sup>th</sup> day of the 3<sup>rd</sup> month after year end (March 15 for calendar-year taxpayers). Correspondingly, extended federal returns are now due one month later -- October 15 for calendar-year taxpayers -- which is also the date when most state corporate calendar year tax returns, based on federal numbers, are due. In 2017 Congress enacted substantial federal tax reform through the Tax Cuts and Jobs Act, which greatly complicated state returns that conform, either fully, partially, or sporadically, to federal law as a starting point for the state return. As a result, the need to extend state return due dates at least one month beyond the federal due date gained new urgency. As an interim step, COST, the American Institute of Certified Public Accountants (AICPA), and the Tax Executives Institute (TEI) have requested states to waive penalties for late filing of state returns. Several states indicated they would consider such a request on case-by-case basis, but in our view this issue is best resolved through corrective legislation extending the filing period.

**State Reporting Requirements for Federal Tax Changes:** Large multistate businesses are often required to file hundreds, if not thousands, of amended returns/reports at the state and local level when a federal tax change is made by the taxpayer and/or the Internal Revenue Service (IRS). Compliance with these reporting requirements is best achieved when state and local governments adopt uniform and even-handed rules for reporting federal tax changes that are consistent regardless of whether a refund or payment results from the change. Filing interim reports of changes (*e.g.*, serial reporting for the same tax year) is not an efficient use of resources for either the state or taxpayers. The following are key elements of a fair and efficient state reporting procedure for federal tax changes:

- *Final Determination:* All states that require a taxpayer to report federal tax changes, including any applicable local taxes, should link the filing requirement to a “final determination” regarding a taxpayer’s federal income tax liability. The absence of clear, consistent rules creates compliance problems and wrongfully subjects taxpayers to penalties and interest for noncompliance. Moreover, some states require “interim” notification of certain IRS-agreed-to adjustments for a given tax year prior to a final determination of federal tax liability for all issues for that tax year (including any adjustments pending for a related member that is part of a state filing group). This practice needlessly creates additional confusion regarding a taxpayer’s compliance responsibilities and sets up potential traps for the unwary. In defining what constitutes a “final determination,” COST recommends the following definition, endorsed by the Multistate Tax Commission (MTC) and the AICPA, as a best practice:

A “final determination” is deemed to occur when any of the following circumstances exist with respect to a federal taxable year:

(a) Except as provided in (b) and (c), if the federal adjustment arises from an IRS audit or other action by the IRS, the final determination date is the first day on which no federal adjustments arising from that audit or other action remain to be finally determined, whether by IRS decision with respect to which all rights of appeal have been waived or exhausted, by agreement, or, if appealed or contested, by a final decision with respect to which all rights of appeal have been waived or exhausted. For agreements required to be signed by the IRS and the taxpayer, the final determination date is the date on which the last party signed the agreement.

(b) For federal adjustments arising from an IRS audit or other action by the IRS, if the taxpayer filed as a member of a [combined/consolidated return/report under State law], the final determination date means the first day on which no related federal adjustments arising from that audit remain to be finally determined, as described in Section (a), for the entire group.

(c) If the federal adjustment results from filing an amended federal return, a federal refund claim, or an administrative adjustment request, or if it is a federal adjustment reported on an amended federal return or other similar report filed pursuant to IRC section 6225 (c), the final determination date means the day on which the amended return, refund claim, administrative adjustment request, or other similar report was filed.<sup>7</sup>

- *Time Period for Reporting and Auditing:* Taxpayers need adequate time to report federal tax changes to the states. The necessary adjustments relating to federal tax changes, especially when taking into consideration the states' decoupling from certain Internal Revenue Code provisions (such as bonus/accelerated depreciation and provisions of the 2017 federal Tax Cuts and Jobs Act), require sufficient time for analysis and accurate reporting. COST and the MTC Consensus Model (see below) recommend state laws should provide at least 180 days (or six months) to report IRS adjustments to states. States must also be flexible regarding the method of reporting the changes to avoid overly restrictive and inefficient filing requirements. For instance, a federal tax change that does not affect the taxable income reported to the state should have a simplified method to report the close of the federal audit. In addition, the time provided for a state to audit a taxpayer's adjusted liability (relating to a federal change) should not be greater than a taxpayer's right to claim a refund (related to the federal change).
- *Prepayment Process:* Taxpayers should be allowed to submit advanced estimated payments relating to potential federal tax changes without the filing of an amended return. This would permit taxpayers, if they so choose, to make tax payments to a state before the completion of a federal audit and allow the state to receive a tax payment prior to issuance of the final federal determination date. This change would allow taxpayers to reduce interest costs associated with reporting the federal tax change while the rest of the IRS audit process is completed. Currently, many states have statutes or processes that prohibit (either intentionally or unintentionally) these types of estimated payments or do not have a clear refund process if a payment is made in excess of the liability ultimately determined to be owed from a federal adjustment.
- *State Statutes of Limitation Waived Only for Federal Tax Changes:* When the normal time period for the state to assess additional tax and for a taxpayer to claim a refund has passed, a state should provide that only those items that are the subject of the federal tax change should be open for adjustment (tax due and refund). Absent a mutually agreed-to waiver, the statute of limitations should not remain open for any other issues, including items that are related to amended returns or audits in other states.
- *Conformity to MTC Consensus Model for Reporting Federal Changes, Including Partnerships:* The MTC recently issued a revised federal reporting model (MTC Consensus Model) developed in conjunction with COST, the AICPA, and other groups which addresses how the IRS will audit partnerships and includes recommendations for reporting federal audit changes for all taxpayers.<sup>8</sup> Only a limited number of states have attempted to address this new federal partnership audit regime. For partnerships, the MTC Consensus Model allows a state partnership representative different from the federal representative, addresses tiered partnerships (those owning an interest in another partnership), and allows an election for the partnership to push federal tax adjustments out to its partners that is different from the election a partnership takes at the federal level. COST

encourages states to adopt (or improve) the entirety of the crucial improvements made in the MTC Consensus Model for all taxpayers, which includes the new federal partnership audit procedures.

**Transparency in Tax Guidance and Administrative Rulings:** As illustrated by the AICPA’s 2003 publication, “Guiding Principles for Tax Law Transparency,” and the recent efforts of the American Bar Association’s Section of Taxation, transparency through publication of tax guidance and rulings is widely recognized as a hallmark of fair and efficient tax administration. Simply put, “secret tax laws” benefit neither the state in its administration of the statutes nor the public in complying with them. While individual taxpayers may perceive advantages in obtaining what they believe is a beneficial ruling, ultimately the broader taxpaying public pays the price for inconsistency in the application of the tax laws. Tax Analysts’ editors have noted that “it is difficult to measure the transparency of a state’s tax system...but to be most effective for purposes of ranking, measures of transparency must be objective. That is, the measures must be easily identified through research and they must be attainable by all states.”<sup>9</sup> In addition to independent tax tribunals, Tax Analysts identifies publication of letter rulings and administrative-level opinions as areas in which states can be ranked (indeed, Tax Analysts performed preliminary research that they kindly shared and we incorporated into our Scorecard).

COST recognizes there are practical limitations on publication of tax guidance. Clearly, for letter rulings and informal administrative hearings to be effective (and utilized), taxpayers’ identities must be redacted. In some cases, not publishing, or providing generalized guidance, for redundant ruling requests or requests for interpretation of unambiguous law may be justified. Further, some states may have a dearth of controversy in certain areas of tax, explaining a lack of published rulings on, for example, corporate income tax issues. Regarding administrative proceedings, a state may choose not to publish informal administrative hearings, but then publish a tax tribunal decision where the record is established. The fundamental question we seek to answer is this: Does the state provide a meaningful and reasonably complete library of letter rulings and administrative decisions, so that the broader taxpayer community may ascertain how the tax law has been applied and thus may be applied under similar facts. This may be one of the more difficult areas to measure, but, as Tax Analysts suggests, is essential nonetheless for a measurement of fairness in tax administration.

### *Other Significant Procedural Issues*

Like the 2019 Scorecard, the 2023 Scorecard includes an “Other Issues” column. In preparing the Scorecard, we surveyed tax practitioners, asking them to identify additional issues that impact fair and efficient tax administration in the state. This Scorecard assigns points (generally one point per issue) to those states identified as having negative practices; the adjustments are identified in the chart following this discussion. Adjustments were made based on, but not limited to, practices including 1) the application of statutes on a retroactive basis; 2) selective enforcement and uncertainty surrounding state imposition statutes for liability and withholding requirements for personal income taxes of nonresident employees; and 3) the inclusion of federal GILTI (global intangible low-taxed income) or other foreign source income in the state tax base, and the lack of guidance from states regarding apportionment of such income.

**Retroactive Tax Changes:** COST has undertaken to identify recent instances in which state legislatures have enacted retroactive tax legislation, violating taxpayer due process. COST leveraged its research developed in filing amicus briefs on behalf of several taxpayers challenging such retroactive enactments. In all instances cited, it is COST’s opinion that the period of retroactivity far exceeds the “modest” period cited by the U.S. Supreme Court in *U.S. v. Carlton*, 512 U.S. 26 (1994). While *Carlton* requires a legislature to have acted with a “legitimate legislative purpose” and to have “acted promptly and established only a modest period of retroactivity,” states have increasingly swept these requirements aside, even waiting until after appellate courts have finally decided a tax dispute before reversing the court’s decision. Such legislation turns the judicial process into results-oriented decision making, undermining taxpayers’ perception of fair and impartial tax appeals in the states. Retroactive tax legislation is one of the most corrosive elements undermining our voluntary state tax compliance system today and encourages taxpayers to withhold payment in fear that the law will not be fairly applied. COST hopes this Scorecard will discourage states from enacting such legislation, or even to consider constitutional prohibitions or other restrictions on such measures.

**Tax Liability and Withholding Requirements for Nonresident Employees:** States currently impose inconsistent, varying standards and requirements for employees to file personal income tax returns when traveling for business purposes to a nonresident state for temporary periods, and for employers to withhold income tax on employees who travel for business purposes outside of their state of residence for temporary periods. Employees who travel outside of their state of residence for business purposes are subject to onerous administrative burdens because they may be legally required to file an income tax return in every other state into which they travel for work, in half the states even if for only one day. Employers incur extraordinary expenses in their efforts to comply with the states' widely divergent withholding requirements for employee travel to nonresident states for temporary work periods. And in some cases, legal requirements for employees and employers differ. Because of the difficulty in tracking and complying with these laws, few statutes are enforced, and if so, only on a selective basis against specific taxpayers and their employees. The patchwork of complexity can be significantly reduced, however, if states each adopt a minimum 30-day safe harbor for nonresident employees traveling for business in their state before personal income tax liability and withholding rules attach. Congress has considered such a solution for the last four sessions, but without enactment. COST is encouraging states to enact their own 30-day safe harbor (or more) for nonresident employees and recognizes the states that have done so in this Scorecard by awarding an offsetting point.

**Taxing Foreign Source Income Without Guidance on, or Inclusion of, Foreign Factor Representation:** A minority of states include a portion of foreign source income in the corporate income tax base. The two primary types of foreign source income taxed at the state level are global intangible low-taxed income (GILTI) and foreign dividends. The majority of states that include a portion of foreign source income in the corporate income tax base both: 1) allow foreign factor representation in the corporate apportionment formula, and 2) provide clear guidance on the apportionment methodology for such income. The litmus test of a well-designed apportionment method is that if a state includes certain types of income in the tax base, the state should also include the factors that contribute to generating that income in the apportionment formula. Similarly, a state should provide clear guidance as to which methodology it uses. The matching of tax base inclusion with income and apportionment formula inclusion of factors is a best practice, both for fairness and for constitutional Commerce Clause requirements. The provision of clear guidance on how to apportion foreign source income is a best practice for tax administration purposes.<sup>10</sup>

## Detailed Survey Data

The table beginning on page 16 provides detailed survey data for each state. At least one practitioner from each state was asked to review and offer corrections to the data and/or related survey questions (below). Where received, responses were integrated into the chart as appropriate to reflect the current status of the law in each state. COST extends its gratitude to those practitioners who assisted in compiling the data necessary for this study. Note that certain exceptions to the general rules may exist but were not included. This document is not intended to be used as a comprehensive listing of legal authority for the issues identified, and taxpayers are cautioned to research individual state laws.

### *Survey Questions for Practitioners*

1. Does the State have an independent tax appeal forum agency that possesses the following elements: (1) the forum is truly independent; (2) the forum is dedicated to handling tax disputes; (3) the forum's judges are required to possess requisite tax expertise (and actually have those qualifications); and (4) the forum establishes the record for further appeal?
2. Is prepayment or posting of a bond required to obtain an independent appeal forum hearing or to take an appeal (with the exception of reasonable application of jeopardy assessments)? If so, at what level of appeal does prepayment or posting of bond attach?
3. Is the statute of limitations the same for refunds and assessments, regardless of the nature of the issue (e.g., constitutional grounds)?
4. Does the State impose equal rates of interest on assessments (tax due) and refunds (tax overpayments)? Does interest run from comparable dates (e.g., date the tax was due for assessments, and date the tax was overpaid for refunds)? (Please answer both questions.)

5. Does a taxpayer have at least 60 days to appeal an assessment, and does this period begin from a point approximating notice to the taxpayer (e.g., mailing or delivery rather than issuance date)? Are there any issues with electronic notification of assessments or appeals?
6. For State tax returns requiring information derived from the taxpayer's federal corporate income tax return, is the State return due at least one-month after the federal tax return is due (for extended due dates), and does a federal extension result in an automatic extension of time to file the state return?
7. Does State law specifically define "final determination date" for purposes of reporting a federal audit change to federal taxable income (aka RAR adjustments) that occurs after all state and federal appeal rights are exhausted and does not require reporting on an interim basis?
8. Do all taxpayers (including corporations and partnerships) have at least 180 days to report a federal change?
9. Is the scope of review (items that can be adjusted), when reporting federal changes after expiration of the State's normal statute of limitations, limited to the federal changes (e.g., there is no automatic waiver keeping the entire state tax return open)? Is the statute of limitations equal for the taxpayer and the State for tax due and/or refunds? For corporate income tax returns, does the State require reporting of tax changes in other jurisdictions (i.e., non-federal, such as another state)?
10. Does the State allow taxpayers to make estimated payments (to stop the running of interest) during an IRS audit and to obtain a refund if the estimated payments exceed the final amount of the federal change?
11. Does the State consistently issue binding, written guidance to requesting taxpayers (e.g., letter rulings)? Does the state publish such (redacted) guidance on its website with appropriate protections for taxpayer confidentiality? Any other special issues regarding guidance issued (or lack thereof) from the State's revenue agency?
12. Does the State's revenue agency publicly release all its appealable determinations (and are they redacted)? Also, does the next level agency/court that regularly hears tax cases or appeals publicly release all its rulings (redacted or not redacted)? Does a taxpayer have the ability to contest a tax based on a law's enactment, or does it require a taxpayer to first appeal a tax assessment and/or file a refund to challenge a new tax imposition? (Please address all of the above questions.)
13. Has the State's tax law in the last 10 years changed to retroactively remove a taxpayer's right or remedy for years open under the statute of limitations or subject to litigation (e.g., to prevent refunds on litigation where another party prevailed)?
14. Does the State provide a reasonable time frame, preferably 30 days, before imposing tax liability on non-resident individuals and withholding obligations on employers with non-resident employees temporarily working in the State (with exceptions allowed for certain types of workers such as professional athletes, entertainers, and other persons of prominence paid on a per-event basis, etc.)? (Please answer both tax imposition on individuals and withholding responsibilities on employers.)
15. Does the State include Global Intangible Low-Taxed Income (GILTI) in the state corporate income tax base? If so, to what extent? Does the State allow foreign factor representation in the denominator of the apportionment formula for GILTI? If so, how is it applied?
16. Any other issues? Some states impose unfair or inefficient tax administrative or legislative practices which are important to note but are not directly addressed by one of the questions above. For example, some state legislatures schedule hearings on tax bills without providing interested parties adequate (or any) notice to respond to the legislation. In the space below, please provide us with any additional issues (not limited to the legislative process) that might warrant inclusion in our Scorecard.

## Endnotes

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<sup>1</sup> *Best and Worst of State Tax Administration: COST Scorecard on Appeals, Procedural Requirements*, 8 Multistate Tax Report 231 (April 27, 2001);

*Best and Worst of State Tax Administration: COST Scorecard on Appeals, Procedural Requirements*, 11 Multistate Tax Report 137 (March 26, 2004);

*Best and Worst of State Tax Administration: COST Scorecard on Appeals, Procedural Requirements*, 44 State Tax Notes 475 (May 14, 2007);

*The Best and Worst of State Tax Administration: COST Scorecard on Tax Appeals & Procedural Requirements*, 2010 STT 43-3 (Feb. 1, 2010);

*The Best and Worst of State Tax Administration: COST Scorecard on Tax Appeals & Procedural Requirements*, 2013 STT 241-39 (Dec. 1, 2013);

*The Best and Worst of State Tax Administration: COST Scorecard on Tax Appeals & Procedural Requirements* (Dec. 2016);

*The Best and Worst of State Tax Administration: COST Scorecard on Tax Appeals & Procedural Requirements* (Dec. 2019).

<sup>2</sup> American Bar Association, *Model State Administrative Tax Tribunal Act* (2006). [www.americanbar.org](http://www.americanbar.org).

<sup>3</sup> Id.

<sup>4</sup> See the COST Policy Position on this issue, including the model legislation, at [www.cost.org](http://www.cost.org).

<sup>5</sup> See Fred Nicely and Aziza Farooki, “Five State Tax Policy Changes That Would Modernize Laws and Ease Administration and Compliance,” Bloomberg Tax, Tax Management Memorandum (April 10, 2023).

<sup>6</sup> See P.L. 114-41, The Surface Transportation and Veterans Health Care Choice Improvement Act of 2015.

<sup>7</sup> This language is in the MTC Model adopted by the MTC Executive Committee in January, 2019; available at: <http://www.mtc.gov/getattachment/Uniformity/Adopted-Uniformity-Recommendations/Model-RAR-Statute.pdf.aspx?lang=en-US>.

<sup>8</sup> See the Bipartisan Budget Act of 2015, H.R. 1314 (114<sup>th</sup> Session of Congress).

<sup>9</sup> See Jennifer Carr and Cara Griffith, *Measuring Transparency in State Tax Administration*, 2012 STT 232-4 (Dec. 3, 2012).

<sup>10</sup> See Karl A. Frieden and Fredrick J. Nicely, “Minnesota’s New Approach to Taxing Foreign Income Is Unfair and Unwise,” Tax Notes State, August 21, 2023.

| State  | Independent Tax Dispute Forum?   | Pay-to-Play & Adequate Time for Appeal?   | Even-Handed SOLs and Interest Rates?   | Corporate Return Due Date and Extensions   | Reporting Federal Corporate Tax Changes   | Transparency in Tax Guidance and Rulings   | Other Fairness Issues |
|--|--|---|--|--|---|--|-----------------------|
| <p><b>AL</b></p> <p>Yes. Act 2014-146 established the Alabama Tax Tribunal (ATT), an independent agency within the executive branch. ATT judges must possess both substantial tax knowledge and tax litigation experience. The tribunal's jurisdiction includes most state taxes and certain county and municipal tax disputes. However, for the 2023 calendar year, 14 counties and municipalities have "opted out" of the Tribunal's jurisdiction. AL Code, § 40-28-2.</p> | <p>No prepayment or bond is required for appeals to the ATT. Prepayment (or a bond) is required for subsequent or direct appeals to circuit court (N/A for taxpayers with a net worth of &lt;\$250,000). AL Code §§ 40-28-2 and 40-2A-7(b)(5).</p> <p><i>Time to appeal:</i> 30 days to appeal final assessment from date of mailing or personal service, whichever occurs first. AL Code § 40-2A-7(b)(5).</p>       | <p><i>Statutes of Limitations:</i> Generally equal: 3 years for both, but "substantial underpayment" of gross sales/receipts extends SOL on assessments to 6 yrs. Assessment – AL Code § 40-2A-7(b)(2). Refund – AL Code § 40-2A-7(c)(2).</p> <p><i>Interest rates:</i> Generally equal; tied to Federal underpayment rate. Interest on "large corporate underpayment" is increased by 2 points. Underpayment – AL Code § 40-1-44(a). Overpayment – AL Code § 40-1-44(b).</p> | <p><i>Original:</i> Return is due 30 days after the corresponding federal due date. AL Code §§ 40-18-39(a), -39.2.</p> <p><i>Extended:</i> Up to 6 months. A corporation or an Alabama affiliated group will be granted an automatic extension to file its Alabama corporate income tax return consistent with the extension allowed for the taxpayer's corresponding federal income tax return. AL Admin. § r. 810-3-39-.02.</p> <p><i>Automatic Extension:</i> Id.</p> | <ul style="list-style-type: none"> <li>- Final determination is defined. AL Code § 40-2A-7(b)(2)g.3.</li> <li>- 1 year to report IRS changes. AL Code § 40-2A-7(b)(2)g.1.</li> <li>- Scope limited to IRS changes; assessment/refund period is one year. AL Code § 40-2A-7(b)(2)(g).</li> <li>- Limited estimated payments; if no IRS adjustment, must file refund w/in 2 years of payment. AL Code § 40-2A-7(c)(2)(a).</li> <li>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.</li> </ul>           | <p>Revenue rulings issued to taxpayers are available with taxpayers' identifying information redacted, however, only a relatively small number are issued each year. Rulings are published on the AL DOR's website.</p> <p>The Alabama Tax Tribunal publishes its decisions online in a searchable database.</p>    | <p>Nonresident employees are subject to withholding on first day of travel into the State. AL Admin. Code §§ 810-3-2-.01(3) &amp; 810-3-71-.01(7).</p> |                       |
| <p><b>AK</b></p> <p>Yes. The Office of Administrative Hearings (OAH) resides within the Dept of Administration. Alaska Stat. § 43.05.405. The forum is not dedicated to handling tax disputes, but tax expertise is required for ALL's conducting tax proceedings. AK Stat. §§ 44.64.010 &amp; 43.05.420.</p>  | <p><i>Partial.</i> Payment of tax is not required to appeal to the OAH. However, tax must be paid, or a bond posted, to appeal to Superior Court. AK Stat. § 43.05.480(b).</p> <p><i>Time to appeal:</i> 60 days after date of mailing of notice to request an informal conference. AK Stat. § 43.05.240(a), 30 days after service to appeal the result of the informal conference to OAH. AK Stat. § 43.05.241.</p> | <p><i>Statutes of Limitations:</i> Equal. Assessment – 3 years. AK Stat. § 43.05.260(a).</p> <p><i>Refund</i> – Later of 3 years from filing or 2 years from date taxes paid. AK Stat. § 43.05.275 (a)(1).</p> <p><i>Interest rates:</i> Equal. 5.25% above the annual rate charged to member banks by the Federal Reserve each quarter. Underpayment – AK Stat. § 43.05.225(1)(C). Overpayment – AK Stat. § 43.05.280(a), § 3.05.225(1)(C).</p>                              | <p><i>Original:</i> Due 30 days after federal return due. Alaska Stat. § 43.20.030(a).</p> <p><i>Extended:</i> Extension of 30 days after the federal extended due date. A federal extension automatically extends the Alaska filing due date to 30 days after the federal extended due date. Alaska Stat. 43.20.030 (a). Instructions to Form 6000, 2022 Alaska Corporation Net Income Tax Return. <i>Automatic Extension.</i> Id.</p>                                  | <ul style="list-style-type: none"> <li>- Final determination is defined and based on exhaustion of all appeals. AK Stat. § 43.20.030(a).</li> <li>- 60 days to report IRS changes. AK Stat. § 43.20.030(d).</li> <li>- DOR's position is that if federal statute is extended, the state statute is extended and the entire return is reviewable. AK Stat. § 43.20.200(b).</li> <li>- No specific authority for estimated payment.</li> <li>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.</li> </ul> | <p>The Department may issue advisory bulletins stating the Department's interpretation of provisions of Alaska Stat. § 43.55 (Oil and Gas Production Tax Laws), but these are not binding on the Department.</p> <p>OAH decisions are posted to its website. Decisions may be searched and browsed by category.</p> | <p>Alaska taxes GIITI without any foreign factor apportionment guidance.</p>   |                       |



| State            | Independent Tax Dispute Forum?  | Pay-to-Play & Adequate Time for Appeal?  | Even-Handed SOLs and Interest Rates?   | Corporate Return Due Date and Extensions   | Reporting Federal Corporate Tax Changes   | Transparency in Tax Guidance and Rulings  | Other Fairness Issues   |
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| <p><b>AZ</b></p> | <p>Yes. The Office of Administration which hears tax cases (other than income tax) is independent and separate from the Department of Revenue. AZ Stat. §§ 41-1092 et seq. Additionally, the Arizona Board of Tax Appeals is an independent agency requiring tax expertise for its members. AZ Stat. § 42-1252. The DOR or a taxpayer aggrieved by a decision of the Board of Tax Appeals may bring an action de novo in the Arizona Tax Court. AZ Stat. § 42-1254.</p>   | <p>For income and transaction privilege tax, Arizona does not require prepayment of the tax before appeal, whether filing a protest with the DOR or appealing to the State Board of Tax Appeals, the Tax Court, or an Appeals Court.</p> <p><i>Time to appeal:</i> 90 days after the date of mailing of the notice of assessments for individual income tax protests; 45 days after the date of receipt of the notice of assessment for all other tax protests. AZ Stat. § 42-1108(B).</p>   | <p><i>Statutes of Limitations:</i> Equal. Generally, 4 years. Assessment – AZ Stat. § 42-1104(A). Refund – AZ Stat. §§ 42-1104(A) and 42-1104(A). <i>Interest rates:</i> Equal. Federal short-term rate plus 3%. AZ Stat. § 42-1123(A).</p>  | <p><i>Original:</i> Same as federal. CY returns must be filed on or before the 15th day of April following the close of the CY. FY returns must be filed on or before the 15th day of the 4th month following the close of the FY. AZ Stat. § 43-325. <i>Extended:</i> For corporate returns, the extension is 7 months. AZ Stat. § 42-1107(D). <i>Automatic Extension:</i> AZ Stat. § 42-1107(B).</p>   | <p>- Final determination is defined and based on exhaustion of all appeals for a tax yr. AZ Stat. § 43-327(H).<br/>- 90 days to report IRS changes. AZ Stat. § 43-327(A).<br/>- Scope limited to IRS changes. AZ Stat. § 42-1104(5). Assessment/ refund period is generally 6 months from date report filed (4 yrs w/o report). AZ Stat. § 42-1104(B)(5) &amp; (6).<br/>- No formal ability to make estimated payments during IRS audit.<br/>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.</p> | <p>Arizona issues private letter rulings, and all private letter rulings that are published are redacted. A taxpayer may request the ruling not be published. AZ Stat. § 42-2101(L).<br/><br/>Redacted tax decisions issued by the Department of Revenue and the Office of Administrative Hearings are required to be publicly released. AZ Stat. § 42-2077(A).</p>   | <p>AZ imposes a 60-day threshold for when an employer of a nonresident employee is subject to withholding for personal income tax. The threshold for imposing personal liability is much lower, creating compliance difficulties. AZ Stat. § 43-403(A)(5)(b).</p> |
| <p><b>AR</b></p> | <p>Yes. The Independent Tax Appeals Commission Act, Act 586 of the 2021 Regular Session, established the Tax Appeals Commission (TAC), AR Code § 26-18-1101 et seq. The TAC is a neutral body under the direction, control, and supervision of the Sec. of the Dep't of Inspector General, separate from and independent of the authority, control, and supervision of the DFA. AR Code § 26-18-1105. The TAC is dedicated to handling tax disputes. Each commissioner must be licensed to practice law in AR or an AR certified CPA and most possess substantial knowledge of AR tax law. AR Code § 26-18-1107(a). The TAC renders written decisions which are published. AR Code § 26-18-1116(a). Decisions may be appealed de novo to circuit court. AR Code § 26-18-1117.</p> | <p>No. Taxpayers have the right to have their cases heard by the TAC w/out paying any amounts due. AR Code § 26-18-1115(j). Taxpayers are no longer required to pay tax, penalties, or interest before filing suit for judicial relief from a final assessment or determination. AR Code §§ 26-18-406 &amp; 26-18-1117. If the taxpayer protests an assessment and loses in circuit court, the final assessment remains in effect and collection may proceed.</p> <p><i>Time to appeal:</i> 90 days to file a petition with TAC from date the DFA issues a proposed assessment or refund claim denial or takes other action or proposed action that the taxpayer is protesting. AR Code § 26-18-1113(b)(1)(A).</p> | <p><i>Statutes of Limitations:</i> Equal. 3 years for refunds and assessments, extended to 6 years for understatement of tax by &gt;25%.<br/><i>Assessments –</i> AR Code § 26-18-306(a).<br/><i>Refunds –</i> AR Code § 26-18-306(i).<br/><i>Interest rates:</i> Equal. 10% interest rate on assessments and refunds. Underpayment – Ark. Code Ann. § 26-18-508(1). Overpayment – Interest runs from the latest of the due date or date of filing of return. Ark. Code Ann. § 26-18-508(4).</p> | <p><i>Original:</i> Same as federal, April 15th for CY taxpayers. AR Code § 26-51-806(a)(2). <i>Extended:</i> Any person who requests an automatic extension for filing a federal income tax return and attaches a copy of the request to the corresponding state income tax return is granted an extension of one month after the due date of the federal income tax return. AR Code § 26-51-807(a)(1). <i>Automatic Extension:</i> Yes. Arkansas 2022 C Corporation Income Tax Instructions.</p> | <p>- Final determination is defined but it is not based on exhaustion of all appeals. AR Code § 26-18-306(b)(1).<br/>- 180 days to report IRS changes. AR Code § 26-18-306(b)(1).<br/>- Scope limited to IRS changes; however, assessment/ refund period is not equal (1-year to assess (3 years w/out return) v. 6 mos. for refund). AR Code § 26-18-306(b).<br/>- Unclear if estimated payment can be made during IRS audit.<br/>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.</p>           | <p>DFA issues binding, written legal opinions which are available in redacted form AR Code § 26-18-314. New DFA legal opinions and DFA hearing decisions are published in redacted form online beginning 1/1/2016 and others are available in redacted form through FOIA request.<br/><br/>DFA Hearing Decisions issued by the Office of Hearings and Appeals, and Revisions issued by the Commissioner of Revenue beginning 1/1/2016 are redacted and published online. AR Code § 26-18-314.</p> | <p>Nonresident employees are subject to withholding on first day of travel into the State. AR Code §§ 26-51-202(a) and 26-51-905.</p>   |

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| <p><b>CA</b></p> <p>Yes. CA's new Office of Tax Appeals (OTA) is an independent and impartial appeals body whose sole purpose is to adjudicate state tax appeals. Tax disputes involving personal income, corporate franchise and income, sales and use, excise and other taxes and fees are decided by a three-member panel of Administrative Law Judges. Each ALJ is required to be an expert in CA tax law. OTA establishes a record in every case through the briefing process and intake of exhibits. In every oral hearing a transcription is taken and published on OTA's website.</p> | <p>Partial. No payment or bond is required before the OTA. If a TP does not agree with OTA's decision and the tax liability remains unpaid, TP must pay the tax liability and file a claim for refund, and if denied, may file a suit for refund in CA Superior Court. See CA OTA: "Appeals Procedures"</p> <p>Time to appeal: 60 days after mailing of notice for income/franchise tax. CRT § 19041(a), 19042. Petitions for re-determination must be filed within 30 days to appeal sales/use tax assessment. CRT § 6561. 90 days for denial of a refund claim; CRT § 19324; 30 days for denial of protest; CRT § 19045.</p> | <p>Statutes of Limitations: Equal. For income taxes, 4 years: Assessment – CRT § 19057(a), 19067(a), 19065. Refund – CRT §§ 19306 (a), 19308. For sales and use taxes, 3 years: Assessment – CRT § 6487; Refund – CRT § 6902).</p> <p>Interest rates: Unequal. For income taxes: Underpayment - Fed underpayment rate CRT § 19101(a), 19521(a); Overpayment – (corporate) Lesser of 5% or bond equiv. rate of 13-week T-bills. CRT § 9521(a)(1)(C). Interest on underpayments of sales taxes is the rate charged by IRS plus 3%.</p>  | <p>Original: Same as federal — 15th day of 4th month after close of taxable year (CRT § 18401(a)).</p> <p>Extended: FTB will allow an automatic 7-month extension to all taxpayers in good standing filing Forms 100 (including REITs, REMICs, and RICs) and 100W, for taxable years beg. 1/1/2019. However, the automatic 7-month extension does not apply to S Corps. FTB Notice 2019-07.</p> <p>Automatic Extension: FTB allows an automatic 7-month extension to file without a written request if filed within 7 mos. of the original due date. FTB Notice 2019-07.</p> | <ul style="list-style-type: none"> <li>- Final determination is defined but it is not based on exhaustion of all appeals. 18 CA Code Regs. § 19059(e); CRT § 18422(d).</li> <li>- 6 months to report IRS changes. CRT § 19059(a).</li> <li>- Scope not limited to IRS changes if IRS audit under waiver. CRT §§ 19059 &amp; 19308.</li> <li>- Assessment/refund period generally two years (4 years to assess if return filed late).</li> <li>- FTB follows IRC § 6603 and would allow estimated payments and refunds. See FTB Notice 2005-06.</li> <li>- Generally comports with the MTC Consensus Model; CRT § 18622.5.</li> </ul>              | <p>FTB issues Chief Counsel Rulings. Selected Rulings are available redacted on the FTB website. Other guidance is also available on the website, such as Legal Rulings, Notices, and Technical Advice Memorandums. For sales and use taxes, very broadly, CRT § 6596 provides that a taxpayer can obtain relief from tax, penalties, and interest if it fails to report tax on a transaction because it relied upon erroneous advice from the CDTPA.</p> <p>All OTA decisions are posted online.</p> | <p>State imposes a non-uniform threshold for when an employer of a nonresident employee is subject to withholding for personal income tax. Cal. Unemp. Ins. Cd. § 13020; CA Withholding Schedules (2019).</p> |                       |
| <p><b>CO</b></p> <p>No. Protests of state tax assessments and refund claim denials (not including property taxes or local taxes) are first heard by a Hearing Officer from the Hearings Division of the Department of Revenue. Taxpayers may appeal a final determination to district court, without prepayment, which tries cases de novo. CO Stat. §§ 39-21-103 &amp; 39-21-105.</p>  | <p>Partial. Under 2016 Colo. Sess. Laws Ch. 292 (S.B. 16-036), prepayment or bond is no longer required for appeal of the Executive Director's final determination to the district court. However, taxpayers still must deposit the disputed amount or post bond for two times the disputed taxes with interest and other charges to appeal a district court ruling. CO Stat. § 39-21-105(8).</p> <p>Time to appeal: 30 days after mailing. CO Stat. § 39-21-105(1).</p>   | <p>Statutes of Limitations: Equal. 1 year after expiration of federal statute for income tax (4 years from federal due date); 3 years for all other taxes.</p> <p>Assessment – CO Stat. §§ 39-21-107(2) (income) 39-21-107(1) Refund – CO Stat. §§ 39-21-108(1) (income) 39-21-108(1) (other).</p> <p>Interest rates: Unequal. Underpayment – Prime rate plus 3%, unless paid w/in 30 days of DOR notice, then prime rate. CO Stat. § 39-21-109. Overpayment – Prime rate for refunds &gt;\$5,000 and/or 10% of net tax liability. All others, prime rate plus 3%. CO Stat. § 39-21-110.5(2).</p> | <p>Original: For tax years beginning before January 1, 2024, the same as federal — the 15th day of the 4th month following the close of the taxable year. For tax years beginning on or after January 1, 2024, the 15th day of the 5th month following the close of the tax year. CO Stat. § 39-22-608. H.B. 23-1277 (Laws 2023).</p> <p>Extended: 6-month extension. CO Form 112 Instructions.</p> <p>Automatic Extension: CO Form 112 Instructions.</p>  | <ul style="list-style-type: none"> <li>- Final determination defined but not based on exhaustion of appeals; however, after 1/1/2024, no interim reporting is required. CO Stat. § 39-22-601(5) &amp; (6).</li> <li>- After 1/1/24, 180 days to report IRS changes. CO Stat. § 39-22-601.5(2).</li> <li>- After 1/1/2024, scope limited to IRS changes. CO Stat. § 39-22-601.5(8)(a).</li> <li>Generally, assessment /refund periods are one year. CO Stat. §§ 39-22-601.5 &amp; 39-21-108.</li> <li>- After 1/1/24, allows estimated payments w/ refund. CO Stat. § 39-22-601.5(6).</li> <li>- Comports with the MTC Consensus Model.</li> </ul> | <p>CO general info and private letter rulings are available and are published online with taxpayer information redacted. CO Stat. § 24-35-103.5; 1; Code Colo Regs. 201-1.</p> <p>Colorado DOR administrative hearings decisions are not published.</p>   | <p>Nonresident employees are subject to withholding on first day of travel into the State. CO Stat. § 39-22-604; CO Reg. 39-22-604.3.</p>   |                       |

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|-------|---|---|--|---|--|--|--|
| CT    | <p>No. Protests of assessments or the denial of refunds initially must be brought to the Department of Revenue Services' Appellate Division. Appeals go to the superior court for the judicial district of New Britain (Tax and Administrative Appeals Session), which will hear the case de novo (CT Stat. §§ 12-237 &amp; 12-422). Tax expertise is not required for Tax and Administrative Appeals Session judges.</p> | <p>No. While taxpayers have the option of posting a cash bond to stop the running of interest when protesting an assessment, a bond is not required for appeals, either to the Dept's Appellate Division or to the superior court. CT Stat. §§ 12-39m, 12-237, 12-422.</p> <p>Time to appeal: 60 days after assessment is mailed or delivered. CT Stat. §§ 12-236 &amp; 12-421 (sales tax).</p> | <p>Statutes of Limitations: Equal. 3 years for both. Assessment - CT Stat. §§ 12-233, 12-415. Refund - §§ 12-225, 12-226, 12-425.</p> <p>Interest rates: Unequal. Underpayment - 1% per month (CT Stat. §§ 12-235; 12-415). Overpayment - (Business) 0.66% per month (§ 12-227). No interest paid on sales/ use tax refunds.</p>   | <p>Original: Due fifteenth day of the month after the due date of the corresponding federal income tax return. (CT Stat. § 12-222(b)).</p> <p>Extended: 6 months CT Stat. § 12-222(c).</p> <p>Automatic Extension: No. Taxpayer must file Form CT-1120 EXT Instructions (2022).</p>   | <ul style="list-style-type: none"> <li>- Final determination is not defined and does not clearly limit reporting based on exhaustion of all appeals. CT Regs. § 12-727(b)-4.</li> <li>- 90 days to report IRS changes. CT Stat. § 12-226(b)(1).</li> <li>- Unclear if scope is limited to IRS changes; assessment /refund period is unclear. CT Stat. § 12-226.</li> <li>- Unknown if estimated payments can be made. CT Stat. § 2-39m.</li> <li>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.</li> </ul>   | <p>DOR issues rulings and declaratory rulings upon request and publishes them with identifying information redacted. However, the Dept. issues rulings and declaratory rulings on an infrequent basis.</p> <p>All actions taken at the administrative level are considered confidential tax return information. CT Stat. § 12-15.</p>  | <p>State imposes a non-uniform threshold for when an employer of a nonresident employee is subject to withholding for personal income tax. CT Stat. § 12-711 (b)(2)(A).</p>                                    |
| DE    | <p>Yes. Tax appeals (both assessments and refund claim denials) are heard by the Delaware Tax Appeal Board, appointed by the Gov. DE Code 30 §§ 523, 544. However, tax expertise is not required, except that one member of the five-member board must be an accountant and two members must be attorneys. DE. Code 30 § 321. Bank franchise tax disputes are tried before State Bank Commissioner. DE Code 5 § 1103.</p> | <p>Partial. No bond or prepayment requirement at the Tax Appeal Board. DE Code 30 § 544. However, civil courts may require bond for the purpose of staying execution of the judgment appealed from. DE Code 10, § 568.</p> <p>Time to appeal: 60 days after date of mailing. DE Code 30 § 523. 30 days for withholding taxes. <i>Id.</i></p>  | <p>Statutes of Limitation: Equal. 3 years for both. Assessment – DE Code 30 § 531(a). Refund – SOL is later of 3 years from last due date for filing or 2 years from date of payment. DE Code 30 § 539(a).</p> <p>Interest rates: Equal. .5% per month.</p> <p>Underpayment – Interest runs from last date for payment. DE Code 30 § 533(a).</p> <p>Overpayment – DE Code 30 § 540(a). Interest runs from the 46th day after the claim for credit or refund is filed. DE Code 30 § 540(b)(2). For the corporation income tax, interest runs from the 91st day.</p> | <p>Original: Same due date as Federal return. DE Code 30, § 1904(b).</p> <p>Extended: 6 months. An extension beyond the automatic six-month period must be requested by letter on or before the extended due date of the return. DE Code 30 § 511.</p> <p>2022 Corporate Income Tax Instructions.</p> <p>Automatic Extension: A request for an automatic extension of six months to the IRS will automatically extend by six months the filing date for DE return. 2022 Corporate Income Tax Instructions and Return.</p> | <ul style="list-style-type: none"> <li>- Final determination is not defined. No clear definition based on exhaustion of appeals. DE Code §§ 502 &amp; 514.</li> <li>- 90 days to report IRS changes. DE Code 30 § 514.</li> <li>- Scope is limited to IRS changes; assessment/ refund period is the same (2 years). DE Code 30 §§ 514 &amp; 539.</li> <li>- Limited ability to make est. payments; refund must be made w/ applicable SOL.</li> <li>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.</li> </ul> | <p>Division of Revenue issues but does not publish private letter rulings.</p> <p>All decisions, rules, and rulings of the Tax Appeal Board must be maintained and open for inspection by the public at the main office of the Department of Finance. DE Code 30 § 327. The opinions of the Tax Appeal Board are available online.</p> | <p>Delaware taxes GILTI without any foreign factor apportionment guidance.</p> <p>Nonresident employees are subject to withholding on the first day of travel into the State. DE Code 30 §§ 1121 and 1151.</p> |

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| DC    | Partially yes. Taxpayers may appeal a proposed assessment to the Office of Administrative Hearings (OAH), which is an independent agency. DC Code § 47-4312. OAH hears both tax and non-tax cases. DC Code § 2-1831.03 (b)(4). Taxpayers may appeal a proposed assessment to Superior Court (Tax Division) after paying the assessment, including penalties and interest. DC Code § 47-3303. No tax expertise required for ALJs. DC Code § 2-1831.03(d). Real property tax refund claims must be taken to Superior Court (Tax Division). DC Code §§ 47-3305(d), 2-1831.08 (b)(4), and 47-3310. | Partial. No prepayment or bond requirement for appeals to OAH or a subsequent appeal to the D.C. Court of Appeals. DC Code §§ 2-1831.16(e), 47-4312. Tax penalties, and interest must be pre-paid when appealing to Superior Court. DC Code § 47-3303.<br><br>Time to appeal: 30 days to appeal proposed assessment to OAH. DC Code § 47-4312(a). Taxpayer may appeal assessment to DC Superior Ct. Tax Division within 6 months of date of assessment but must first pay the tax. DC Code § 47-3303.  | Statutes of Limitation: Equal. 3 years for both, with exceptions for non-compliance or malfeasance. DC Code § 47-4301(d). Assessment – DC Code § 47-4301(a). Refund – DC Code § 47-4304(a). Later of 3 years from due date or date of payment.<br><br>Interest rates: Unequal Underpayment – 10% per year, compounded daily. DC Code § 47-4201 (d)(2). Overpayment – 1% above Richmond Federal Reserve Bank discount rate, rounded, but not exceeding 6%. DC Code § 47-4202(c)(2).  | Original: Same as federal — on or before the 15th day of April of each year; on or before the 15th day of the 4th month following the close of the fiscal year. DC Code § 7-1805.03 (a); 9 D.C. Mun. Regs. § 106.<br><br>Extended: 7 months (one month after federal) for combined filers. 9 D.C. Mun. Regs. § 176. 6 months for other filers. Form FR-120 instructions. See also DC Code § 47-1805.03(b).<br><br>Automatic Extension: No. Taxpayer must apply using Form FR-120. | - Final determination is not defined in state law and it is not clear reporting is based on exhaustion of appeals. DC Code § 47-4301.<br><br>- 90 days to report IRS changes. DC Code § 47-4301(f).<br><br>- Unclear if scope is limited to IRS changes; assessment/refund period is generally the same 180 days. DC Code §§ 47-4301 & 47-4304.<br><br>- Limited ability to make estimated payments; refund ability unclear.<br><br>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.   | OTR issues private letter rulings (PLRs), but they do not apply to other taxpayers. District PLRs are not published. The Office of the CFO will issue declaratory orders of general interest, subject to the protection of confidentiality and information contained in the order. Only 2 ever published, in '13 & '15. OTR also issues Tax Rulings offering advice on the DC tax code. Only 5 tax rulings are published on the OTR website, none since Sep. '08. Tax Analysts is currently litigating publication of OTR PLRs issued from 1/1/16 & 10/8/19. See Tax Analysts v. DC, Dkt. No. 21-CV-0031 (D.C. Jul. 27, '23). DC OAH decisions are not available online nor readily accessible to the public. | DC taxes GILTI without any foreign factor apportionment guidance. |
| FL    | No. Taxpayers may litigate a tax assessment or refund denial either in the Division of Admin. Hearings (DOAH) or in circuit court (of general jurisdiction). FL Stat. § 72.01(1). Both proceedings are de novo and establish the record for further appeal. Neither proceeding is before a judge with tax expertise. Circuit judges & DOAH Admin. Law Judges are not employed by DOR; however, ALJ-recommended orders may be rejected by the DOR. FL Stat. § 120.57(1)(f). DOR's final order is then subject to appellate review.  | Yes. Taxpayers must pay uncontested assessments before petitioning for formal admin. hearing or complaint in circuit court. FL Stat. §§ 72.01(3)(a), 120.80(1)(4) (b). Not required before DOAH but required (or bond) before filing a complaint in circuit court. FL Stat. § 72.01(3)(a)(waived at the DOR's discretion or alternative security approved by the court) FL Stat. § 72.01(3)(b)(2).<br><br>Time to appeal: Taxpayer must file written protest within 60 days from date of issuance on the Assessment. FL Admin. Code 12-003. FL Stat. § 72.01(1); GF-800004 (R. 12/22). | Statutes of Limitation: Equal. 3 years for both. Assessment – FL Stat. §§ 220.705, 95.091(3). Refund – FL Stat. §§ 220.727 & 215.26(2).<br><br>Interest rates: Equal. Prime plus 4%. Underpayment – FL Stat. §§ 220.809, 220.807, 213.235. Overpayment – FL Stat. §§ 220.723, 213.255. Interest on overpayment based on date a "complete" refund claim filed, not date tax paid. FL Stat. §§ 220.723; 213.255. No interest if refund is paid within 90 days of date claim is filed. DOR can defer or avoid paying interest if it deems the refund claim incomplete. | Original: Due on or before the 1st day of the 5th month after the close of the taxable year or the 15th day after the due date, without extension, for the filing of the related federal return for the taxable year. FL Stat. § 220.222(1).<br><br>Extended: 6 months. FL Admin. Code 12C-1.0222(2)(a); Fla. Stat. § 220.23.<br><br>Automatic Extension: No. Taxpayer must apply using Form F-7004. FL Admin. Code 12C 1.0222(2)(b)(1).  | - Final determination is not defined in state law and it is unclear reporting is based on exhaustion of all appeals. FL Stat. § 220.23(2)(a)(3).<br><br>- 60 days to report IRS changes. FL Stat. § 220.23(2)(a)(3).<br><br>- Scope limited to IRS changes; however, assessment/refund period is not the same (5 years to assess & 2 years for refund). FL Stat. § 220.23.<br><br>- Limited ability to make estimated payments; unclear SOL for refunds. FL Stat. §§ 220.721 & 215.26.<br><br>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments. | DOR issues binding, written guidance to taxpayers, known as technical assistance advisements. FL Stat. § 213.22. These are available on the DOR's website, listed chronologically and searchable by tax type, with taxpayer information redacted.<br><br>Division of Administrative Hearings has a searchable database of case information for formal litigation of final assessments and refund denials. The DOR does not publish decisions in response to informal protests because taxpayer information is, by statute, confidential. FL Stat. § 213.053.  |   |

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| GA    | Yes. Taxpayers can appeal to the Georgia Tax Tribunal, an autonomous division within the Office of State Administrative Hearings requiring tax expertise for its judges, for a trial de novo. Alternatively, taxpayers may appeal to the Superior Court. GA Code § 48-2-59; Title 50, Ch. 13A.   | No prepayment or bond is required for appeals to the Georgia Tax Tribunal. GA Code §§ 48-2-59(c), 50-13A-11. However, bond or other security is required for appeals to superior court. GA Code § 48-2-59(c). Tribunal appeals are to the Superior Court (Fulton County). GA Code § 50-13A-17(h).<br><br>Time to appeal: Protests from assessments are due within 30 days of the date of the notice of assessment. GA Code §§ 48-2-45; 48-2-46.   | <i>Statutes of Limitation:</i><br>Equal: 3 years for both. Assessment – GA Code § 48-2-49(b). Refund – GA Code § 48-2-35(c)(1)(A).<br><br><i>Interest rates:</i> Equal. Prime plus 3%, effective 7/1/2016. Underpayment – GA Code § 48-2-40. Overpayment – GA Code § 48-2-35(a). Interest on refunds does not accrue until claim is filed. GA Code § 48-2-35.1. No interest on certain tax credits claimed on amended returns or on SUT refunds related to the high-tech company exemption.                                    | <i>Original:</i> CY returns of corps other than GA Sub "S" corps must be filed on or before the 15th day of April, and FY returns of corps other than GA Sub "S" corps must be filed on or before the 15th day of the 4th month following close of the fiscal year. Ga. Code Ann. § 48-7-56(a).<br><br><i>Extended:</i> Taxpayer need not apply for an extension if the IRS has granted an exemption and the return is due when the federal return is due. GA Code § 48-7-57(d).<br><br><i>Automatic Extension:</i> Yes, GA Code § 48-7-57(d). | - Final determination is defined but is not clearly limited based on exhaustion of all appeals. GA Code § 48-7-82(e)(1).<br><br>- 180 days to report IRS changes. GA Code § 48-7-82(e)(1).<br><br>- Scope limited to IRS changes and generally assessment/refund period is 1 year (5 years w/out return). GA Code § 48-7-82.<br><br>- Limited ability to make estimated payments: SOL unclear.<br><br>- Comports with the MTC Consensus Model for reporting federal partnership adjustments. GA Code § 48-7-53. | DOR issues letter rulings and publishes them in redacted form on its website. Rule 560-1-1-.10 provides the procedures for issuance, redaction, and disclosure of letter rulings.<br><br>Georgia Tax Tribunal decisions are indexed and published on the Tribunal's website unless the case was brought under the small claims division. GA Code § 50-13A-15.  | State imposes a non-uniform threshold for when an employer of a nonresident employee is subject to withholding for personal income tax. GA Code §§ 48-7-100(10)(K) & 48-7-111(A); GA DOR Employer's Tax Guide (rev. Dec. 2023)                                |
| HI    | Taxpayers may appeal to the Administrative Appeals Office (AAO), Taxation Board of Review (BOR) or directly to the Tax Appeal Court. HI Stat. §§ 231-7.5, 232-6, 235-114, 237-42, 238-8. AAO Conferee is a DOT employee (not audit branch) who primarily seeks settlement. No record is made. Concurrent appeal must be made to either BOR or Tax Appeal Court. AAO appeal does not stay time for further appeal. HI Stat. § 231-7.5. BOR: Consists of 3 salaried gubernatorial appointees. Chair must be a licensed attorney or CPA with State experience. BOR cannot adjudicate constitutional questions. Appeal is de novo to Tax Appeal Ct. HI Stat. §§ 232-6, -7 Tax Appeal Ct: Ct. of record; no tax experience required of judges. HI Stat. §§ 232-8 to 13. | <i>Partial.</i> Prepayment or bond is not required for an appeal to the AAO. Prepayment or bond is not required for the first appeal to either the Board of Review or Tax Appeal Court. However, if the first forum adjudges a deficiency, that deficiency must be prepaid before further appeal is allowed. HI Stat. §§ 235-114, 237-42, 238-8.<br><br><i>Time to appeal:</i> 30 days from mailing for appeals to Board of Review or Tax Appeal Court. HI Stat. §§ 235-114(c), 237-42, 238-8, ch. 232. | <i>Statutes of Limitation:</i><br>Equal. 3 yrs for both. Assessment – HI Stat. §§ 235-111 (a), 237-40(a), 238-7. SOL is 6 years for returns with a "substantial omission" (>25%). HI Stat. § 231-40.5. Refund – HI Stat. §§ 235-111 (b), 237-40(d), 238-7.<br><br><i>Interest rates:</i> Unequal Underpayment – .66% per month from due date of payment. HI Stat. § 231-39(b)(4)(A). Overpayment – .33% per month running from 90 days after the later of due date or date of filing. HI Stat. §§ 231-23 (d)(1), 231-23(d)(2). | <i>Original:</i> Return is due the 20th day of the 4th month following close of taxable year. HI Stat. § 235-97 (b), -98.<br><br><i>Extended:</i> 6 months. Id. HI Stat. § 235-98. HI Admin. Rules § 18-235-98.<br><br><i>Automatic Extension:</i> Yes. HI Admin. Rules § 18-235-98(e).  | - Final determination is not adequately defined to limit exhaustion of all appeals. HI Stat. § 235-101 (b).<br><br>- 90 days to report IRS changes. HI Stat. § 235-101(b).<br><br>- Scope limited to IRS changes and assessment/refund period is 1 year. HI Stat. § 235-101.<br><br>- Est. payments can be made: see DOT 2021-02 and Form D-160.<br><br>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments. HI Stat. § 235-2.45.                                       | DOT posts redacted letter rulings on its website along with tax memoranda and other policy guidance. However, the most recent letter ruling is from 2021, and only 5 rulings were published in the last ten years.<br><br>Administrative Appeals Office settlements are not published. Board of Taxation Review hearings are informal, and decisions are not published. Tax Appeal Court decisions are published online. | HI imposes a 60-day threshold for when an employer of a nonresident employee is subject to withholding for personal income tax. The threshold for imposing personal liability is much lower, creating compliance problems. HI Admin. Rules § 18-235-61-04(b). |

| State | Independent Tax Dispute Forum?  | Pay-to-Play & Adequate Time for Appeal?   | Even-Handed SOLs and Interest Rates?  | Corporate Return Due Date and Extensions   | Reporting Federal Corporate Tax Changes   | Transparency in Tax Guidance and Rulings  | Other Fairness Issues  |
|-------|---|---|---|--|---|---|--|
| ID    | <p>No. The Board of Tax Appeals is within the DOR and not subject to the supervision or control of the State Tax Commission (STC). ID Code §§ 63-3801 to 63-3814. Members of the Board are selected based on their tax knowledge and experience. ID Code § 63-3802. However, sales/ use and corporate income tax controversies exceeding \$25,000 must be appealed to the district court of the appropriate county. ID Code § 63- 3049. The district court hears and determines the appeal de novo. ID Code § 63-3812.</p>  | <p>Yes. A taxpayer must deposit 20% of the amount asserted or post security with the State Tax Commission prior to appeal to the Board of Tax Appeals or District Court. ID Code § 63-3049.</p> <p>Time to appeal: 63 days after notice is mailed. ID Code § 63- 3045(1)(a).</p>  | <p><i>Statutes of Limitation:</i><br/>Equal. 3 years for both. Assessment – ID Code § 63-3068(a). Sales Tax: ID Code § 63-3633(a).<br/>Refund – ID Code § 63-3072 (b). Sales Tax: ID Code § 63-3626(b).</p> <p><i>Interest rates:</i> Equal.<br/>Federal mid-term rate plus 2%.<br/>Underpayment – ID Code § 63-3045(7)(c).<br/>Overpayment – ID Code §§ 63-3073, 63- 3045(7) (c).</p>  | <p><i>Original:</i> Same as federal<br/>– Returns made on the basis of the calendar year must be filed on or before the 15th day of April following the close of the CY and returns made on the basis of a FY must be filed on or before the 15th day of the 4th month following the close of the FY. ID Code §§ 63-3032, 63-3085.<br/><br/>Extended: 6 months. ID Code § 63-3033(a).<br/><br/><i>Automatic Extension:</i> Yes. No application needed.</p>   | <ul style="list-style-type: none"> <li>- Final determination is defined and is based on resolution of all appeals. ID Code § 63-3068(f), ID Admin. Code r.35.01.01.890.</li> <li>- 120 days to report IRS changes. ID Code § 63-3069.</li> <li>- Scope limited to IRS changes and assessment /refund period is 1 year. ID Code § 63-3068.</li> <li>- Limited ability to make estimated payments. SOL unclear.</li> <li>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.</li> </ul>  | <p>The Idaho Tax Commission does not issue private letter rulings. Declaratory rulings, which require taxpayer identity disclosures, are not published. ID Admin. Code r. 35.02.01.110.</p> <p>Decisions of the Idaho Tax Commission are published on the Commission's website, with taxpayer information redacted. Property tax decisions of the Board of Tax Appeals are published on its website from 2016-2018.</p>   | <p>Idaho taxes GILTI without any foreign factor apportionment guidance.</p> <p>State imposes a non-uniform threshold for when an employer of a nonresident employee is subject to withholding for personal income tax. ID Admin. Rules § 35.01.01.871.</p> |
| IL    | <p>Yes. The IL Independent Tax Tribunal (ITT) has original jurisdiction over most DOR determinations where amounts in controversy exceed \$15,000. Jurisdiction does not extend to property tax assessments. An ALJ must have substantial laws, 35 ILCS 1010. As an executive agency, ITT is unable to provide equitable relief, and it is not authorized to impose the monetary sanctions a judicial court can impose. ITT is also unable to invalidate laws or regulations, but it can prepare a record, including on such issues, for review and decision by an appellate court.</p> | <p>No. Prepayment or bond is not required for appeals to ITT. A 25% bond may be required upon a showing that TP's action is frivolous or legally insufficient, or TP is acting primarily for the purpose of delaying or prejudicing the collection of tax. A bond may also be required during the proceedings if ITT determines TP is not pursuing the resolution with due diligence. 35 ILCS 1010/1-45(c). TPs may also choose to pay tax under a formal statutory protest before it becomes final and file a complaint in Circuit Court within 30 days of payment to enjoy transfer of payment to the State until final disposition.</p> <p>Time to appeal: 60 days after issuance of assessment or denial of refund claim. 35 ILCS 5/908(a).</p> | <p><i>Statutes of Limitation:</i><br/>Equal: Generally, 3 years for both. 6 years after non-filing with reasonable cause, or 4 years after non-filing if failure to file is voluntarily disclosed. 35 ILCS 735/3-10.<br/>Assessment – 35 ILCS 5/905 (a)(1).<br/>Refunds – 35 ILCS 5/911 (a)(1).</p> <p><i>Interest rates:</i> Equal<br/>Federal underpayment rate, adjusted semiannually.<br/>Underpayment – 35 ILCS 5/1003(a), 735/3-2.<br/>Overpayment – 35 ILCS 5/909(c), 735/3-2.</p> | <p><i>Original:</i> Same as federal. 35 ILCS 5/505.<br/><br/>Extended: For tax years ending on or after 12/31/2021, DOR will grant an automatic 6 mo. extension to TPs other than corps and 7 months for corps (8 months for FY June 30th filers eligible for an automatic 7-month ext. federally) to file any IL income tax return except returns due under Article 7 of the IITA (withholding). No application form is needed by TP to obtain this extension. 35 ILCS 5/505, 86 Ill. Admin. Code § 100.5020(b), FY 2023-02-A (Jan. 2023).</p> <p><i>Automatic Extension:</i> Yes. Not required to file a form in order to obtain automatic extension. IL-1120 Instructions (Rev. Jan. 2019).</p> | <ul style="list-style-type: none"> <li>- Final determination is not adequately defined to limit reporting based on exhaustion of all appeals. 86 ILCS § 100.9200(a)(4).</li> <li>- 120 days to report IRS changes. 35 ILCS 5/506(b).</li> <li>- Scope limited to IRS changes; assessment/ refund periods are both 2 years. 35 ILCS 5/506, 5/905 &amp; 5/911.</li> <li>- Unknown if estimated payments can be made, likely a 1-year SOL. 35 ILCS 5/911.</li> <li>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.</li> </ul> | <p>DOR issues binding Private Letter Rulings. The DOR also issues General Information Letters, which cannot be relied upon by either the taxpayer or the DOR. Redacted DOR letter rulings and General Information Letters are available online. Admin. hearing decisions are published online with TP info redacted. The Tax Tribunal is required to index and publish its final decisions, redacting taxpayer ID numbers and any trade secrets/ intellectual property. 35 ILCS 1010/1- 85.</p> | <p>The State's mobile workforce provisions are substantially similar to the COST model language; S.B. 1515 (Laws 2019) (earns a point reduction).</p>  |

| State | Independent Tax Dispute Forum?  | Pay-to-Play & Adequate Time for Appeal?   | Even-Handed SOLs and Interest Rates?   | Corporate Return Due Date and Extensions   | Reporting Federal Corporate Tax Changes  | Transparency in Tax Guidance and Rulings   | Other Fairness Issues  |
|-------|---|---|--|--|--|--|--|
| IN    | Yes. The Indiana Tax Court (ITC) is an independent court (not an agency tribunal) which hears only Indiana tax cases. Appeals from adverse final determinations of DOR may be brought solely before the ITC and are heard de novo. IN Code §§ 8-1-5-1, 6-8.1-9-1, 33-26-3-1. The record is established at the ITC for further appeals. The ITC also has sole jurisdiction to hear appeals on property tax decisions from the Indiana Board of Tax Review (IBTR). IBTR appeals are based on the record established before the IBTR and are not de novo. While tax expertise is not required (IN Code § 33-26-2-2), the current and previous ITC judges have or had significant state tax experience. | No. The DOR generally may not take action to collect the tax at issue while an appeal is pending in Tax Court. IN Code § 6-8.1-8-16.<br><br>Time to appeal: A taxpayer has 60 days from the date the notice of assessment is mailed to the taxpayer to protest the assessment. IN Code § 6-8.1-5-1(d).            | Statutes of Limitation: Equal. Generally, 3 years for both. SOL is 6 years for understatements of >25%. IN Code § 6-8.1-5-2(b). Assessment – IN Code § 6-8.1-5-2(a). Refund – IN Code § 6-8.1-9-1(d)(1).<br><br>Interest rates: Generally Equal. Average state investment yield plus 2%. Underpayment – IN Code § 6-8.1-10-1(c). Overpayment – IN Code §§ 6-8.1-9-2(d), 6-8.1-10-1(c).   | Original: One month after federal – 15th day of 4th month following the close of the tax year. Or, for a corporation whose federal tax return is due on or after this date, the 15th day of the month following the due date of the federal tax return. IN Code § 6-3-4-3.<br><br>Extended: Same period as the federal extension, plus 30 days. IN Code § 6-8.1-6-1(c)(1).<br><br>Automatic Extension: Yes, with federal extension. <i>Id.</i> | - Final determination is defined and based on exhaustion of all appeals. IN Code §§ 6-3-4-6(c), 6-5-6-6(d)<br><br>- 180 days to report IRS changes. IN Code §§ 6-3-4-6(b) & 6-5-6-6(e).<br><br>- Unclear if scope limited to IRS changes. Taxpayers must file refund within 180 days of final determination, assessment is 180 days from date adjustment filed. IN Code §§ 6-3-4-6, 6-5-6-6, 6-8.1-5-2 & 6-8.1-9-1.<br><br>- Unclear if estimated payments can be made; refund ability unclear.<br><br>- Generally comports with the MTC Consensus Model for reporting federal partnership adjustments.      | DOR is required to publish Information Bulletins, Letters of Finding, and Revenue Rulings (redacting taxpayer information) in the IN Register, the online version of which may be keyword searched in the Register online. IN Code § 6-8.1-3-3.5. Since 1/1/2017, the DOR has published Memoranda of Decision and Orders Denying Refund under the same guidelines. DOR Rulings are binding on the DOR as to the taxpayer receiving the ruling (provided no misstatement or omission of material fact), and similarly situated taxpayers.<br><br>The ITC opinions are available on the Court's website, chronologically.  | State's mobile workforce provisions are substantially similar to the COST model language. S.B. 419 (Laws 2023) earns a point reduction). |
| IA    | No. Tax appeals are heard by an ALJ employed by the IA Dept of Inspections and Appeals. The ALJ is not required to have tax expertise. The Director of DOR may retain any case in order to serve as presiding officer of the hearing; however, most cases are heard by an ALJ. After the hearing, the ALJ issues a proposed decision subject to further review and modification by the Director. IA Admin. Code r. 701-7.17. The Director's Order becomes the final order and is subject to judicial review in Iowa district court. IA Code § 17A.19.   | No. Prepayment or bond is not required for DOR appeals. IA Code § 422.28. For an appeal to District Court, the court may order the petitioner to file a bond only if cause is shown. IA Code § 422.29.<br><br>Time to appeal: 60 days from date of notice. IA Code §§ 422.28, 422.41; IA Admin. Code r. 701-55.5. | Statutes of Limitation: Equal. 3 years for both. Assessment – IA Code §§ 422.39, 422.25(1)(a), 423.37. Refund – IA Code §§ 422.73, 423.37, 423.47. SOL is extended for noncompliance or fraudulent returns.<br><br>Interest rates: Equal. Prime plus 2%. Underpayment – IA Code §§ 422.39, 422.24, 421.7, 423.40 (1). Overpayment – IA Code §§ 421.7, 422.28, 422.41, 422.39, 422.25(3), 21.60 (2)Ⓞ. Refunds accrue interest from later of the 1st day of the 2nd calendar month following date of payment or due date including extensions, or date actually filed. IA Code § 421.60(2)(e). | Original: Last day of the 4th month following the close of the taxable year. Iowa Code § 422.21.<br><br>Extended: 6 months. Long Form IA 1120 instructions pg. 2.<br><br>Automatic Extension: Yes, <i>Id.</i>  | - Final determination is not adequately defined to limit reporting based on exhaustion of all appeals.<br><br>- Corps have 180 days to report IRS changes to avoid late payment penalty. IA Code § 421.27(c) & 422.25.<br><br>- Scope limited to IRS changes. Taxpayers must file refund w/180 days of final determination and assessment is 180 days from date adjustment filed. IA Code §§ 422.25(1), 422.39 & 422.73(1).<br><br>- Unclear if estimated payments can be made. IA Code § 422.73(1).<br><br>- Generally comports with the MTC Consensus Model for reporting federal partnership adjustments. | Binding, written guidance is available through a Declaratory Order under IA Code § 17A.9 and IA Admin. Code r. 701-7.24. Past Declaratory Orders and policy letters are public records, and many are published on the DOR's website in the Tax Research Library, searchable and organized by tax type and year. These publications are generally unredacted because no provision for taxpayer confidentiality is in the Declaratory Order procedure.<br><br>Admin. rulings are published on the DOR's website, searchable and organized by tax type. All such rulings are public records, and only limited identifying information is redacted. IA Code § 17A.3. | Nonresident employees are subject to withholding on first day of travel into the State. IA Code § 422.16.                                |

| State     | Independent Tax Dispute Forum?  | Pay-to-Play & Adequate Time for Appeal?   | Even-Handed SOLs and Interest Rates?  | Corporate Return Due Date and Extensions  | Reporting Federal Corporate Tax Changes  | Transparency in Tax Guidance and Rulings   | Other Fairness Issues   |
|-----------|---|---|---|---|--|--|---|
| <b>KS</b> | Yes. KS Board of Tax Appeals (BOTA) is an executive branch agency. KS Stat. § 74-2433a. BOTA hears appeals on rulings by the directors of taxation and property valuation. KS Stat. § 74-2437. Tax expertise is required. KS Stat. § 74-2433. Proceedings are de novo. KS Stat. § 74-2438. Taxpayers may appeal to the court of appeals. KS Stat. § 74-2426(c)(4)(A). Taxpayers may appeal to the district court for a trial de novo. KS Stat. § 74-2426(c)(4)(B). BOTA also hears appeals from decisions by County Appraisers regarding the valuation or classification of real or personal property (and exemptions). KS Stat. § 79-2005 and 79-1448. | Partial. BOTA does not require prepayment or bond. KS Stat. § 74-2438a. A bond in the amount of 125% of the assessed is required to appeal an order of the BOTA to the court of appeals.<br><br><i>Time to appeal:</i> 60 days after mailing to request an informal conference with the DOR. KS Stat. § 79-3226(a). 30 days to appeal final determination to BOTA. KS Stat. § 74-2438(a). | <i>Statutes of Limitation:</i><br>Equal. 3 years for both. Assessment – KS Stat. § 79-3230(a).<br>Refunds – KS Stat. § 79-3230(c).<br><br><i>Interest rates:</i> Equal<br>Federal underpayment rate plus 1%.<br>Underpayment – KS Stat. §§ 79-3228(c); 79-2968.<br>Overpayment – KS Stat. §§ 79-32, 105(e), 79-2968.  | <i>Original:</i> For any tax year commencing after 12/31/2019, a return must be filed no later than one month after the due date established under the IRC, including any applicable extension. KS Stat. § 79-3221. Form K-120 instructions.<br><br><i>Extended:</i> 6 months. Form K-120 instructions; KS Stat. § 79-3221(c); KS Admin. Regs. § 92-12-67.<br><br><i>Automatic Extension:</i> Yes, Id. Enclose federal extension. Form K-120 instructions (2022). | - Final determination is not defined to limit reporting based on exhaustion of all appeals. KS Stat. § 79-3230(f).<br><br>- 180 days to report IRS changes. KS Stat. § 79-3230(f).<br><br>- Scope limited to IRS changes and assessment/refund periods both 180 days. KS Stat. 79-3230(f).<br><br>- Unclear if est. payments allowed.<br><br>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.  | DOR Private Letter Rulings are redacted and published online chronologically and by tax type in the DOR's online Policy Information Library.<br><br>BOTA issues monthly reports listing cases before it but does not have a searchable case database. BOTA is required to publish a decision within 30 days after it is rendered. KS Stat. § 74-2433(d). | Nonresident employees are subject to withholding on first day of travel into the State. KS Stat. §§ 79-32, 110(b) and 79-3296.      |
| <b>KY</b> | Yes. Eff. 10/1/16, the KY Board of Tax Appeals was reorganized into the KY Claims Commission. 103 Ky. Admin. Regs. 1:010. Full payment of the tax or a supersedeas bond is not required to appeal an order sustaining a tax assessment. KY Stat. § 49.250.<br><br><i>Time to appeal:</i> 60 days from date of notice. KY Stat. § 131.110(1); 103 Ky. Admin. Reg. Sec. 1:010.  | No. Bond is not required for appeals to the KY Claims Commission. 103 Ky. Admin. Regs. 1:010. Full payment of the tax or a supersedeas bond is not required to appeal an order sustaining a tax assessment. KY Stat. § 49.250.<br><br><i>Time to appeal:</i> 60 days from date of notice. KY Stat. § 131.110(1); 103 Ky. Admin. Reg. Sec. 1:010.  | <i>Statutes of Limitation:</i><br>Equal: For sales/use and income taxes, 4 years. Assessment – KY Stat. §§ 141.210(2), 139.620. Refunds – KY Stat. §§ 134.580(3), 141.235. However, statute is 2 years for constitutional challenges. KY Stat. §§ 134.580(7), 134.590.<br><br><i>Interest rates:</i> Unequal.<br>Underpayment – Prime rate plus 2%. KY Stat. § 131.183(2)(a)(2).<br>Overpayment – Prime rate minus 2%. KY Stat. § 131.183(2)(b)(2). | <i>Original:</i> Same as federal – April 15, except returns made on the basis of a FY shall be made by the 15th day of the fourth month following the close of the FY. KY Stat. § 141.160(1).<br><br><i>Extended:</i> 7 months (one month after federal). KY Stat. § 141.170; Form 720 SL instructions.<br><br><i>Automatic Extension:</i> Yes. Attach a copy of the federal extension to the return when filed.  | - Final determination is defined and is based on exhaustion of all appeals. KY Stat. § 141.210(1)(b).<br><br>- 180 days to report IRS changes. KY Stat. § 141.210(4).<br><br>- Scope limited to IRS changes. Taxpayers must file a refund w/in 180 days of final determination, but assessment is 180 days from date adjustment filed. KY Stat. §§ 141.210 & 141.235.<br><br>- Limited est. payments; refund ability is unclear.<br><br>- Comports with the MTC Consensus Model for reporting federal partnership adjustments. | DOR may publish guidance in the form of either Technical Advice Memorandums, Revenue Rulings (PLR), KY-RP-19-03. Effective 10/1/2019, PLRs cannot be made anonymously. Issued rulings are redacted and published online pursuant to KY Stat. § 131.190.<br><br>The KY Board of Tax Appeals makes its opinions available on its website.                  | Nonresident employees are subject to withholding on first day of travel into the State. KY Stat. 141.103; KY Admin. Reg. 18:010(2). |



| State | Independent Tax Dispute Forum?  | Pay-to-Play & Adequate Time for Appeal?   | Even-Handed SOLs and Interest Rates?   | Corporate Return Due Date and Extensions  | Reporting Federal Corporate Tax Changes   | Transparency in Tax Guidance and Rulings   | Other Fairness Issues  |
|-------|---|---|--|---|---|--|--|
| LA    | <p>LA Board of Tax Appeals (BTA) is an independent appeals forum that handles tax disputes for state taxes administered by the LA DOR, local sales/use taxes, including appeals of deficiencies and refund denials, and local property tax appeals. LA Stat. §§ 47:1401 to 1486. Specifically, LA Stat. § 47:1407. However, if the DOR with respect to a state-level tax chooses not to issue a formal assessment and instead files suit against the taxpayer in district court, the taxpayer may avoid litigating by paying the disputed amount under protest and filing a petition with the BTA for recovery of the protested amount. LA Stat. §§ 47:1561 and 47:1576. For local sales/use tax matters, BTA rules differ regarding the BTA's jurisdiction. Taxpayers may pay disputed amounts under protest if Parish sales tax collectors file an ordinary suit in state district court or a summary court proceeding in state district court. LA Stat. § 47:337.45(A). If no formal assessment and an ordinary suit is filed, state district court retains jurisdiction. LA Stat. § 7:337.63(B)(2). If a summary proceeding in state district court is filed, the taxpayer may file a petition with BTA for recovery of the protested amount. LA Stat. §§ 47:337.45(B) &amp; 47:337.63(A) and (B). BTA Members are required to have, and currently possess, tax experience. LA Stat. § 47:1402.</p> | <p>Partial. No prepayment or bond is required to appeal to the BTA, including local tax appeals. While the DOR (or local collector) may choose not to issue a formal assessment and instead file suit, bypassing the BTA, payment is not required unless the DOR prevails or if the taxpayer wishes to remove the suit to the BTA. See LA Stat. §§ 47:1431, 1565. In all cases, subsequent appeals require posting of a bond. LA Stat. § 47:1434.</p> <p>Time to appeal: For state-level taxes, 60 calendar days from the date of the notice of assessment to either pay the amount of the assessment without protest, pay the amount of the assessment under protest. LA Stat. § 47:1565(A) and file a suit or petition with the BTA for recovery of the protested amount, or appeal to the BTA (without any payment) for a redetermination of the assessment. LA Stat. §§ 47:1565(A), 47:1561(B) &amp; 47:1576.</p> | <p>Statutes of Limitation: (prescriptive periods) Equal: 3 years for both, measured from Dec. 31 of year tax was due or overpayment was made. Assessments – La. Const. art. VII, § 16; LA Stat. §§ 47:1579 &amp; 337.68. Refunds – LA Stat. §§ 47:1623 &amp; 337.79.</p> <p>Interest rates: Equal, rates but different computation dates.</p> <p>Underpayment – Eff. 1/1/23 through 12/31/23, interest charged on state-level deficiencies at an annual rate of 9.5%. LA Stat. § 7:1601 (A)(2)(a)(v) Revenue Information Bulletin No. 23-001 (Jan'23).</p> <p>Overpayment – 9.5% effective 1/1/2023 through 12/31/2023. LA Stat. § 47:1624(A). Revenue Information Bulletin No. 23-002 (J'n. '23). Interest runs from later of due date of return or filing date of claim for refund. LA Stat. § 47:1624(A)(1)(b).</p> <p>Local-level taxes: For all local-level taxes due on or after 1/1/23, interest on refunds or credits of overpayments must be computed at the same rate charged on local tax deficiencies.</p> | <p>Original: For State corporate income tax return: For calendar year returns, the original due date is on or before May 15<sup>th</sup> following the close of the calendar year. For fiscal year returns, the original due date is on or before the fifteenth day of the fifth month following the close of the fiscal year. LA Stat. § 47:287.614(A).</p> <p>Extended: For State corporate income tax return: For taxable periods beg. 1/1/2022, the DOR is required to grant an extension of time to file a corporation income tax return provided the taxpayer timely requested an extension from the IRS to file the federal return for the same tax period. This required extension may not exceed six months (formerly seven months) or the extended due date of the federal income tax return, whichever is later. LA Stat. § 47:287.614(D)(4); Rev. Information Bulletin No. 23-011 (May 2023).</p> <p>Automatic Extension: Yes. LA Stat. § 47:287.614(A); Rev. Information Bulletin No. 23-011 (May 2023).</p> | <p>- Final determination is defined and is based on exhaustion of all appeals. LA Stat. § 47:287.614(C).</p> <p>- 180 days to report IRS changes. LA Stat. § 47:287.614(C).</p> <p>- Scope is limited to IRS changes. LA Stat. § 47:201.2(H). Assessment/refund periods are both 1 year. LA Stat. §§ 47:1580 &amp; 47:1623.</p> <p>- Estimated payments allowed; LA Stat. § 47:201.2(F).</p> <p>- Generally comports with the MTC Consensus Model for reporting federal partnership adjustments. LA Stat. § 47:201.2.</p> | <p>DOR will issue Private Letter Rulings to requesting taxpayers. While some rulings are available online with taxpayer information redacted for tax years 2001-2010, no redacted rulings have been published by the DOR since 2010. LAC 61:III.101(C)(2)(a).</p> <p>The BTA publishes opinions on its website, which constitute "a small fraction of the very large number of Orders and Judgments rendered." The BTA also states that the decision to publish is driven by requests from the parties, not on the relative importance of decisions, orders, or judgments.</p> | <p>State's mobile workforce provisions are substantially similar to the COST model language. However, the threshold is limited to 25 days. S.B. 157 (Laws 2021) (earns a point reduction).</p> <p>Separate local taxing authorities create onerous interpretive &amp; compliance burdens for taxpayers.</p> <p>Local jurisdictions are authorized to hire and pay contract auditors on a contingent fee basis.</p> <p>The State and local jurisdictions engage outside counsel to prosecute tax cases.</p> |

| State     | Independent Tax Dispute Forum?  | Pay-to-Play & Adequate Time for Appeal?  | Even-Handed SOLs and Interest Rates?  | Corporate Return Due Date and Extensions  | Reporting Federal Corporate Tax Changes  | Transparency in Tax Guidance and Rulings  | Other Fairness Issues   |
|-----------|---|--|---|---|--|---|---|
| <b>ME</b> | The Maine Board of Tax Appeals (BTA) is an independent board within the DOA and Financial Services. The BTA consists of three members, appointed by the Governor and confirmed by the Legislature for three-year terms. Tax expertise is required for BTA members, and the BTA's decisions are reviewed <i>de novo</i> by the Superior Court. 36 ME Stat. § 151-D. However, effective 10/25/2023, the BTA no longer has jurisdiction over appeals involving more than \$500,000. P.L. 2023, c. 412; 36 ME Stat. § 151(2). Such appeals must be made directly to Superior Court. | No. Prepayment or bond is not required for appeals to the Board of Tax Appeals or to Superior Court. 36 ME Stat. § 152.<br><br>Time to appeal: 60 days after receipt of notice of assessment or determination. 36 ME Stat. § 151(1).   | <b>Statutes of Limitation:</b><br>Equal: 3 years for both. Assessment – 36 ME Stat. § 141(1). Refund – 36 ME Stat. § 5278(1) (for income tax), 36 ME Stat. § 2011 (sales/use tax); 36 ME Stat. § 144 (other taxes).<br><br><b>Interest rates:</b> Equal: Prime plus 1%. Underpayment – 36 ME Stat. § 186. Overpayment – 36 ME Stat. §§ 2011, 5279(1). Interest on income tax refunds begins from date refund filed, with no interest if paid within 60 days of filing. 36 ME Stat. § 5279(4).   | <b>Original:</b> Corporate income tax returns (11/20ME) are due April 15 for CY filers, September 15 for filers with a year end of June 30, and the 15 <sup>th</sup> day of the 4 <sup>th</sup> month following the end of the FY for all other filers. 36 ME Stat. § 5227.<br><b>Extended:</b> For tax years beginning on or after 1/1/2023, the extended due date for filing corporate income tax and franchise income tax returns is 30 days following the extended due date for filing the federal income tax return. 36 ME Stat. § 5231 (1-A); L.D. 1808 (Laws 2023).<br><b>Automatic Extension:</b> Yes. No application is required. <i>Id.</i> | - Final determination is defined and is generally based on exhaustion of all appeals. 36 ME Stat. § 5227-A(2)(A)-(G).<br><br>- 180 days to report IRS changes. 36 ME Stat. § 5227-A(2).<br><br>- Scope not limited to IRS changes; assessment/refund periods are both 3 years. 36 ME Stat. § 5278(4).<br><br>- Limited ability to make estimated payments; refund request if no IRS adjustment is limited to 3 years from payment. 36 ME Stat. § 5278.<br><br>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments. 36 ME Stat. § 5195.                       | ME Revenue Services will issue non-binding advisory rulings to taxpayers pursuant to ME Serv. Rule 110 (18-125 CMR 110). Justifiable reliance upon an advisory ruling shall be considered in mitigation of any penalty sought to be assessed. 5 ME Stat. § 9001(3). Advisory rulings are not published, but they may be obtained in redacted form through a FOIA request. 36 ME Stat. § 191(2)(UU).<br><br>BTA, at its discretion, releases redacted rulings on its website. As a matter of policy, it does not publicly release rulings that have been appealed, unless affirmed on appeal.                | State imposes a non-uniform threshold for when an employer of a nonresident employee is subject to withholding for personal income tax. 36 ME Stat. § 5142 (8-B); ME Rules 803.04; C.1, 806.10.A;   |
| <b>MD</b> | The MD Tax Court is an independent administrative unit of state government. MD Code Tax-Gen. § 3-102. The Tax Court is dedicated to handling tax disputes; however, tax experience is not required by statute. MD Code Tax-Gen. § 3-106. The Tax Court hears cases <i>de novo</i> . Md. Code Ann., Tax-Gen. Sec. 13-523. Appeals of Tax Court decisions are heard by the circuit court. MD Code Tax-Gen. § 13-532(a)(2).  | Prepayment or bond is not required for appeals to the Tax Court. MD Code Tax-Gen. § 13-510. When an order of the Tax Court is subject to judicial review, that order is enforceable unless the reviewing court grants a stay upon such condition, security, or bond as it deems proper. MD Code Tax-Gen. § 13-532(b).<br><br>Time to appeal: 30 days after the date on which a notice of assessment is mailed. MD Code Tax – Gen. § 13-508(a). | <b>Statutes of Limitation:</b><br>Equal: For income tax and estate tax: 3 yrs. Assessment – MD Code Tax-Gen. § 13-1101(a). Refunds – MD Code Tax-Gen. §§ 13-903, 13-1104(a). For sales & use tax: 4 years. Action to recover – MD Code Tax-Gen. § 13-1102(a). Refund – MD Code Tax-Gen. § 13-1104(g).<br><br><b>Interest rates:</b> Equal. Rates of interest on assessments (computed as of the due date) and refunds (computed from 45th day after claim is filed) are the same. Annual rate: greater of 9% (for 2023 and thereafter) or avg prime rate plus 3%. MD Code Tax-Gen. § 13-604(b). But interest on Wynne refunds were reduced to 3% retroactively. See other issues. | <b>Original:</b> Same as federal – on or before the April 15 that follows that taxable year; or if income tax is computed for a FY, on or before the 15th day of the 4th month after the end of that year MD Code Tax-Gen. § 10-821(a).<br><b>Extended:</b> 7 months (one month after federal). MD Code Tax-Gen. § 10-823(2).<br><b>Automatic Extension:</b> No. Taxpayer must apply using Form 500E. <i>Id.</i>  | - Final determination is not defined in state law and it is unclear reporting is based on exhaustion of all appeals. MD Code Tax-Gen. § 13-409.<br><br>- 90 days to report IRS changes. MD Code Tax-Gen. § 13-409.<br><br>- Unclear if scope limited to IRS changes; assessment/refund period are both 1 year. MD Reg. Code § 03-04.03.06(B)(3) & MD Code Tax-Gen. § 13-1101(c).<br><br>- Limited ability to make est. payments; unclear if a refund is allowed if there are no IRS adjustments.<br><br>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments. | 2022 Md. Laws 481 (§.B. 477) established a Legal Division in the Comptroller's Office. One of the duties of the Legal Division is to issue private letter rulings (PLR) and to publish periodically on the Comptroller's website copies of PLRs that the Comptroller determines to be of interest to the general public. The Act also requires the Comptroller to adopt regulations for issuing PLRs. MD Code Tax-Gen. §§ 13-1A-01, et. seq. The Legal Division expects to begin accepting PLR requests in Jan. 2024.<br><br>A small number of Tax Court decisions are available online for TYs 1999- 2023. | Ability to contest new digital ad tax requires an appeal of tax assessment or denied refund (exhaustion of remedies).<br><br>Nonresident employees are subject to withholding on first day of travel into the State. MD Code Tax-Gen §§ 10-906 & 907<br><br>MD retroactive legislation reduced interest rates for refund claims arising from the U.S. Sup. Ct. Wynne decision. See 2014 Md. Laws 464. |

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|-----------|--|--|---|--|--|---|--|
| <b>MA</b> | Yes. The Appellate Tax Board (ATB) is in the Executive Office of Administration and Finance. The ATB is dedicated to handling tax disputes. Members are appointed by the Governor with advice and consent of the Governor's Council. Tax experience is not required by statute, but it is customary for appointees to be well-versed in either MA property tax principles or in other areas of MA tax law. MA G.L. c. 58A § 1. Appeals of ATB decisions can be made to MA Appeals Court, but the record is established at the ATB. MA G. L. c. 58A § 13.   | Partial. Taxpayers are not required to prepay the amount of tax in dispute for appeals at the ATB. However, the stay on collection only applies to subsequent appeals (to the Appeals Court or the Supreme Judicial Court) if the taxpayer prevailed at the ATB. MA G.L. c. 62C, § 32(e).<br><br>Time to appeal: When an abatement application is denied, the taxpayer has 60 days to petition the ATB from date of Notice of Abatement Determination. See MA G.L. c. 62C, § 39.   | Statutes of Limitation: Equal: 3 years for both. Assessment – MA G.L. c. 62C, § 26(b). Refunds – MA G.L. c. 62C, § 36.<br><br>Interest rates: Unequal Underpayment – Federal short-term rate plus 4% compounded daily. MA G.L. c. 62C, § 32. Overpayment – Federal short-term rate plus 2% simple interest. MA G.L. c. 62C, § 40.   | Original: Same as federal – on or before 15th day of 4th month following close of taxable year. MA G.L. c. 62C, § 1; Form 355 instructions.<br><br>Extended: Default 6 months. Automatic 7-month extension for corporate excise combined filers and 6-months for other corporate excise taxpayers. See TIR 15- 15. MA G.L. c. 62C, § 19; Form 355 instructions.<br><br>Automatic Extension: Yes. See Instructions, Form 355. | - Final determination is defined but is not based on exhaustion of all appeals for a tax year. 830 CMR 62C.30.1.<br><br>- 3 months to report IRS changes. MA G.L. c. 62C, § 30.<br><br>- Scope not limited to IRS changes for DOR to offset a refund, and generally 1-yr assessment/return period (2 years w/o filing report.) 830 CMR 62C.30.1.<br><br>- No specific authority for est. payments; unclear SOL.<br><br>- Generally comparts with the MIT Consensus Model for reporting federal partnership adjustments. MA G.L. c. 62C, § 30B. | DOR publishes redacted letter rulings to its website, along with other guidance (Regulations, Technical Information Releases, Directives and Administrative Procedures). A taxpayer may rely on a Letter Ruling issued to that taxpayer unless and until the ruling is revoked, modified, or superseded. 830 CMR 62C.31(6).<br><br>Decisions before the DOR's Office of Appeals are not published. ATB rulings on formal appeals are published when a written Findings of Fact and Reports is requested by the parties.   | Nonresident employees are subject to withholding on first day of travel into the State. MA G.L. c. 62B, § 2. Mass. Regs. Code § 62.5A.1.   |
| <b>MI</b> | Two forums are available to contest tax disputes. The MI Tax Tribunal hears property tax and City income tax cases and is an admin. hearing division within the Office of Administrative Hearings and Rules (MOAHR). MCL § 205.721. The Tribunal has seven appointed members; two must be attorneys. Others must be assessors, real estate appraisers and CPAs. If not licensed, appointee must have at least five years of experience in state/local tax matters. MCL § 205.721. Court of Claims runs the tax docket for tax cases against the State. Tax cases are assigned to one of four Court of Claims judges. Admin Order 2018-02 (2018). Decisions of the Tax Tribunal and Court of Claims are appealable as of right to the Court of Appeals. MCL §§ 205.753, 600.6446. | No. Prepayment of the contested amount is not required to come before the Tax Tribunal, the Court of Claims, or for subsequent appeals to the Court of Appeals or MI Sup. Ct. MCL § 205.22. Public Act 79 of 2015 re-moved the requirement for taxpayers wishing to proceed to the Ct of Claims for resolution of their tax disputes.<br><br>Time for appeal: Taxpayers have 60 days after receipt of an intent to Assess to request an informal hearing at the DOR. MCL § 205.21(2)(c). Taxpayers have 60 days to appeal an intent to Assess or a Final Assessment to MI Tax Tribunal, or 90 days to appeal to Ct of Claims. MCL § 205.22(1). | Statutes of Limitation: Generally equal. 4 years for both. Assessment – MCL § 205.27a(2). Refunds – MCL §§ 205.30(2), 205.27a(2). The statute of limitations is 90 days for refund claims based on the validity of a tax law or on the laws or Constitution of the U.S. or MI's Constitution. MCL § 205.27a(7).<br><br>Interest rates: Equal. Prime plus 1%. Underpayments – MCL § 205.23(2). Overpayments – MCL §§ 205.30(3), 205.23(2). Interest does not accrue until 45 days after a demand for refund is filed. MCL § 205.30(3). | Original: Last day of 4th month following close of taxable year. MCL § 206.685.<br><br>Extended: 8 months (two months after federal). MCL, § 206.685.<br><br>Automatic Extension: No. Taxpayer must file tentative return and copy of federal extension request by original due date. Id.  | - Final determination is defined and is based on exhaustion of all appeals. MCL § 206.687.<br><br>- 180 days to report IRS changes. MCL § 206.687(2).<br><br>- Scope limited to IRS changes and assessments/ refund periods are both 1 year. MCL 205.27a(3)-(4).<br><br>- Estimated payments allowed. MCL 205.21(5).<br><br>- Comports with the MIT Consensus Model for reporting federal partnership adjustments. MCL 206.721.  | Treasury issues Technical Advice Letters and Letter Rulings. A Technical Advice Letter may be relied upon only by requesting taxpayer. A Letter Ruling is formal correspondence upon which all taxpayers may rely. MCL § 205.6a. Redacted Letter Rulings and redacted Technical Advice Letters by the Tax Policy Division of the Bureau of Tax Policy are published on Treasury's website. Decisions from DOT's informal conference process in its Hearings Division are not publicly released. Tax Tribunal decisions are published online. Ct of Claims opinions are not published but are a matter of public record. | Nonresident employees are subject to withholding on first day of travel into the State. MI Rule 206.20.<br><br>Equitable alt. apportionment denied to provide factor relief for a large capital gain. See <i>Vaciren Infrastructure Svcs. v. Mich. Treasury</i> , No. 163742 (2023).<br><br>MI legislature passed retro-active legislation expressly overturning MI Sup. Ct. decisions. See <i>Gillette v. Dept. of Treasury</i> (2015). |

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|-----------|--|---|--|--|---|---|---|
| <b>MN</b> | <p>Yes. The Tax Court is an independent agency of the executive branch. The Tax Court is a court of record. Tax expertise is required. MN Stat. § 271.01. A review of any final order may be had upon certiorari by the Supreme Court. MN Stat. § 271.10.</p>  | <p>No. Taxpayers are required to pay only the uncontested portion of the tax at the time of appeal. MN Stat. § 271.09.</p> <p>Time for appeal: 60 days after the notice date. MN Stat. § 270C.35, Subd. 4.</p>  | <p><i>Statutes of Limitation:</i><br/>Equal: 3.5 years for both. Assessment – MN Stat. § 289A.38, Subd. 1. Refund – MN Stat. § 289A.40, Subd. 1.</p> <p><i>Interest rates:</i> Equal. Prime rate rounded to the nearest full %.</p> <p>Underpayment – MN Stat. §§ 289A.55, 270C.40.</p> <p>Overpayment – MN Stat. §§ 289A.56, 270C.405.</p>  | <p><i>Original:</i> Due on fed filing date. MN Stat. § 289A.18, Subd. 1.</p> <p><i>Extended:</i> 7 months (1 mo. after federal). MN Stat. § 289A.19, Subd. 2. Automatic</p> <p><i>Automatic Extension:</i> Yes, no application is required. If the IRS grants an extension to file the federal return that is longer than MN's seven-month extension, the state filing due date is extended to the federal due date.</p>   | <ul style="list-style-type: none"> <li>- Final determination is defined and based on exhaustion of appeals for a tax year. MN Stat. § 289A.381.</li> <li>- 180 days to report IRS changes. MN Stat. § 289A.381, Subd. 7.</li> <li>- Absent field audit for tax year at issue, scope not limited to IRS changes. MN Stat. § 289A.38, Subd. 9.</li> <li>- Unclear if assessment/refund periods are the same (in dispute); assessment is 1 year. <i>Id.</i></li> <li>- Estimated payments allowed. MN Stat. § 289A.38.</li> <li>- Generally comparts with MTC Consensus Model for reporting federal partnership adjustments. MN Stat. § 289A.382.</li> </ul> | <p>DOR does not have a letter ruling program. DOR may issue interpretive revenue notices, which are published. Revenue notices have no precedential value but may be relied upon by taxpayers until revoked or modified. MN Stat. § 270C.07.</p> <p>Tax Court opinions are public and published on the Tax Court's website. Decisions must be searched (are not published in chronological order).</p>      | <p>MN taxes more than 10% of GILTI w/o factor representation.</p> <p>MN imposes a non-uniform threshold for withholding on nonresident employees for personal income tax. MN Stat. § 290.92.</p> <p>Tax court decisions not appealed by DOR are not binding on DOR, see <i>Cities Management, Inc. v. Crmsnr., Minn., A23-0022</i>, 11/22/23.</p> |
| <b>MS</b> | <p>Yes. Board of Tax Appeals (BTA) is an independent agency whose members "shall possess a special knowledge of taxation and revenue in the State..." MS Code §27-4-1. Either party may appeal from the BTA to the Chancery Court. MS Code §27-7-7. No record is established at the BTA as any appeal will be conducted on a <i>de novo</i> basis before the Chancery Court with full discovery at that level.</p> | <p>No. Prepayment or bond is not required for appeals to the BTA. Unless otherwise ordered by the Chancery Court upon motion by the agency, no taxpayer appealing a BTA order is required to post security or a bond, or otherwise pay any contested taxes, interest, penalties, or other amounts. MS Code § 27-77-7(3).</p> <p>Time for appeal: 60 days from the date written notice is mailed or delivered to the taxpayer. MS Code § 27-77-5(1).</p> | <p><i>Statutes of Limitation:</i><br/>Generally equal: 3 years for both. Refund claims must be made w/in 3 years from due date, or 3 years from extended filing date. Assessment – MS Code § 27-7-49(1), 27-65-42. Refund – MS Code §§ 27-7-49(4), 27-7-313, 27-65-42.</p> <p><i>Interest rates:</i> Equal. 0.5% /mo. after 1/1/19. MS Code § 27-7-51; 27-7-315(2).</p> <p>Underpayments – Interest runs from due date of return for year refund is claimed. MS Code § 27-7-51(2), 27-65-39.</p> <p>Overpayments - Interest on refunds runs 90 days after later of due date, filing date, date refund claim is filed, or date DOR, BTA, or court determines a refund is due. MS Code §§ 27-7-315(2), 27-65-53.</p> | <p><i>Original:</i> Filing date is the same as the date provided for filing the corresponding federal return. MS Code § 27-7-41.</p> <p><i>Extended:</i> 6 months. MS follows federal return filing and extended due dates. MS Code § 27-7-50 and Form 83-100 instructions.</p> <p><i>Automatic Extension:</i> Yes. If no tax liability on due date, Commissioner will automatically recognize extension of time authorized and granted by IRS for filing of annual income tax returns. MS Admin. Code 35.III.1.11(101). If tax liability exists, must file Form 83-180 for payment.</p> | <ul style="list-style-type: none"> <li>- Final determination is not defined in state law and it is not clear reporting is based on exhaustion of all appeals for a tax yr. MS Code § 27-7-49.</li> <li>- 30 days to report IRS changes. MS Code § 27-7-51(54).</li> <li>- Scope limited to IRS Changes and assessment/refund periods are both 3 years. MS Code § 27-7-49.</li> <li>- No specific authority for est. payments; may be allowed with no clear SOL.</li> <li>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.</li> </ul>  | <p>DOR issues binding, written guidance to taxpayers in the form of letter rulings but does not publish them or make them available publicly. It also issues declaratory opinions that are available unredacted.</p> <p>DOR does not publish decisions of its Board of Review, and BTA decisions are not published (although they often become part of the public record if judicial review is sought).</p> | <p>Nonresident employees are subject to withholding on first day of travel into the State. MS Code §§ 27-7-5(3), 27-7-305(1); MS Admin Code § 35.III.1.1.09.101.</p>  |

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|-------|---|---|--|---|--|--|---|
| MO    | Yes. The Administrative Hearing Commission is an independent agency assigned to the Office of Administration. Commissioners are not required to have tax expertise (and generally do not at appointment) and hear all types of executive agency appeals. MO Stat. § 621.015. Appeals of Commission tax decisions usually go directly to the MO Supreme Court. MO Constitution, art. v, §3.  | No. Prepayment or bond not required for income tax and sales/use tax cases. MO Stat. § 621.050. To appeal a property tax case, taxpayers must pay all undisputed amounts by 12/31. The protested disputed amount is held in escrow until appeal is resolved. MO Stat. § 139.031(1)-(4).<br><br>Time for appeal: Income Tax: 60 days after mailing date to protest a notice of deficiency. MO Stat. §§ 143. 621; 143. 631. If a protest is filed and the DOR issues a final decision adverse to the taxpayer, TP has 30 days from date of mailing to appeal the final decision to the Administrative Hearing Commission. MO Stat. § 143.651. | Statutes of Limitation: Generally, equal. For income tax, 3 years from when the return is filed for DOR to assess and for taxpayer to claim a refund. For a sales/use tax refund, duplicate copies of a claim for refund must be filed within 10 years from date of over- payment. MO Stat. § 144.190. Assessment – MO Stat. §§ 143.711(1), 144.220(3). Refund – MO Stat. §§ 143.801(1), 144.190(2).<br><br>Interest rates: Unequal. Underpayment – Adjusted prime rate charged by banks. Mo. Ann. Stat. §§ 143.731(1), 144.170, 32.065. Overpayment – Avg annual rate on funds invested by Treasurer's Office. Mo. Ann. Stat. §§ 32.065, 32.069, 32.068(2). Mo. Ann. Stat. § 32.069(1). | Original: Same as federal – 15th day of 4th month following close of taxable year. MO Stat. § 143.511.<br><br>Extended: 6 months. Form MO-1120 instructions; MO Stat. § 143.551(2).<br><br>Automatic Extension: Yes. Submit a copy of the approved federal extension with the return.   | - Final determination is defined and it requires exhaustion of all appeals. Mo. Stat. § 143.425.<br><br>- 90 days to report IRS changes. Mo. Stat. § 143.601 and 12 CSR 10-2.105(2).<br><br>- Scope limited to IRS changes and assessment/refund period generally 1 year (refund extra 90 days). 12 CSR 10-2.105(6).<br><br>- Allows estimated payments. Mo. Stat. § 143.425.<br><br>- Generally comports with the MTC Consensus Model for reporting federal partnership adjustments. Mo. Stat. § 143.425.                       | DOR publishes redacted versions of letter rulings and maintains an online, searchable database with rulings dating to 2013 (private letter rulings expire after 3 years and may not be relied upon by other taxpayers). MO Stat. § 536.021(10); MO Code Regs. 12 § 10-1.020.<br><br>Administrative Hearing Commission decisions are published on the Commission's website, along with filings submitted in connection with the appeal. | Nonresident employees are subject to withholding on first day of travel into the State. MO Stat. § 143.041; MO Code Regs. 12 § 10-2.015(9).   |
| MT    | Yes. The State Tax Appeal Board (TAB) is an independent agency. MT Code §§ 15-2-101 to 15-2-306. All members must possess knowledge and skills in the subject of taxation. MT Code § 15-2-102. Taxpayers may appeal decisions of TAB to the District Court. MT Code § 15-2-303. The record for appeal is established at TAB, but the District Court may permit additional evidence for good cause shown. MT Code §§ 15-2-303; 2-4-704(1). | No. Prepayment or bond is not required to appeal to TAB or to appeal the TAB decision to the District Court. MT Code §§ 2-4-702; 15-2-101.<br><br>Time to appeal: 45 days following date of notice for most tax types. ARM 42.2.510. MT Code § 15-2-302(3).   | Statutes of Limitation: Generally equal: 3 years from original due date for refunds. 3 years from later of original due date or date filed for assessments. Assessment – MT Code §§ 15-31-509(1), 15-30-2606. Refund – MT Code §§ 15-31-509(2), 15-30-2609.<br><br>Interest rates: Equal. Underpayment – 3 points over prime at end of 3rd Q of prior year. MT Code §§ 15-31-503, 15-1-16(7)(a)(ii)(B).<br><br>Overpayment – Interest allowed at same rate charged for unpaid or delinquent taxes. MT Code § 15-1-216(12).   | Original: One month after federal – the due date for CY taxpayers is May 15. The due date for FY taxpayers is the 15th day of the fifth month after the close of the taxable year. MT Code § 15-31-111(2); CIT Booklet.<br><br>Extended: 6 months. MT Code § 15-31-111(3); CIT Booklet.<br><br>Automatic Extension: Yes. No application is required. CIT Booklet. | - Final determination is based on exhaustion of appeals for tax year.<br><br>- 180 days to report IRS changes. MT Code § 15-31-506.<br><br>- Scope not limited to IRS changes and assessment/refund periods are not equal: 1 year to assess (3 years if filed late). Refund must be filed prior to fed. waiver expires. MT Code §§ 15-31-509(1)(b) & 15-31-506.<br><br>- Allows estimated payments; HB 53 ('22).<br><br>- Generally comports with MTC Consensus Model for reporting federal partnership adjustments. HB 53, '22. | DOR does not provide private letter rulings; declaratory rulings are available but generally not sought because the DOR is not required to grant them and due to concerns regarding disclosure of confidential taxpayer information. MT Code § 2-4-501; ARM 42.2.102-106.<br><br>A select number of TAB decisions are published online, classified by tax type.  | State's mobile workforce provisions are similar to the COST model language. H.B. 447 (Laws 2023) (earns a point reduction). MT also includes a \$500,000 threshold that complicates compliance. |

| State | Independent Tax Dispute Forum?   | Pay-to-Play & Adequate Time for Appeal?  | Even-Handed SOLs and Interest Rates?   | Corporate Return Due Date and Extensions  | Reporting Federal Corporate Tax Changes   | Transparency in Tax Guidance and Rulings  | Other Fairness Issues  |
|-------|--|--|--|---|---|---|--|
| NE    | No. Taxpayers may file a written protest to a proposed assessment and refund claim with the Tax Commissioner who shall grant an oral hearing if requested. NE Stat. §§ 77-2708(2)(b) (sales tax refund claim), 77-2709 (8) (sales tax assessment) 77-2778 (income tax). Final actions of the Tax Commissioner may be appealed in accordance with the Administrative Procedure Act to the district court for Lancaster County. NE Stat. § 77-27.127. No requirement for tax expertise listed in statutes. Admin. Procedure Act, NE Stat. §§ 84-913 – 84-919 or regs (33-007). | No. Tax payment is not required to protest an assessment. NE Stat. §§ 77-27.127; 84-917. The Tax Commissioner may not commence collection during appeals. See Reg. 36-004.01. Demand for Payment.<br><br>Time for appeal: 60 days after mailing. NE Stat. §§ 77-2709, 77-2778.                                 | Statutes of Limitation:<br>Equal: Generally, 3 years after filing of return for both.<br>Assessment – NE Stat. §§ 77-2709(5)(c) (sales/use taxes).<br>Refund – NE Stat. §§ 77-2793(1) (income tax), 77-2708(2)(b) (sales/use taxes).<br><br>Interest rates: Equal.<br>Federal rate plus 3%.<br>Underpayment – NE Stat. §§ 77-2788(1), 77-2709(3), 5-104.02(2).<br>Overpayment – NE Stat. §§ 77-2794(1), 77-2708(2)(g), 45-104.02(2). | Original: Same as the federal return. Form 1120N instructions (2022); NE Stat. § 77-2768.<br><br>Extended: Automatic extension same as granted by the IRS. Attach a copy of a timely filed Federal Form 7004, to return when filed. If extension beyond the federal extension is needed, file NE Form 7004N on or before the date the federal extension expires. An extension of time cannot exceed seven months after the original due date of the return. Form 1120N instructions (2022); NE Stat. § 77-2770.<br><br>Automatic Extension: Yes, <i>Id.</i> | - Final determination is defined but it does not clearly require exhaustion of all appeals. NE Admin. Code 24-046.04.<br><br>- 60 days to report IRS changes. NE Stat. § 77-2775(2).<br><br>- Scope limited to IRS changes and general 2-year SOL for assessment/refund. NE Stat. §§ 77-2786(5) & 77-2775.<br><br>- Limited estimated payments; refund request if no IRS adjustment is unclear. NE Stat. § 77-2791.<br><br>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments. | Limited number of General Information Letters are available on the DOR's website w/ taxpayer-specific info redacted. Revenue Rulings, which are DOR initiated responses applicable to all taxpayers, are also available on the DOR's website. Revenue Rulings do not contain confidential taxpayer information. Both are binding on the DOR until amended. Revenue Ruling 99-14-1.<br><br>Administrative decisions of the Tax Commissioner are not published. | NE DOR asserts tax on GILTI without clear legislative authority.<br><br>Nonresident employees are subject to withholding on first day of travel into the State. NE Admin. Code § 21-001. |
| NV    | No. Disputes generally are first heard by an ALJ employed by the NV Dept of Taxation and housed in the same office space as other DOT personnel. ALJ decisions can be appealed to the NV Tax Commission, an eight-member body appointed by the Gov. NV Stat. § 360.245; NV Admin. Code § 360.175. The Tax Commission is limited to the record established before the ALJ, with limited exceptions. NV Admin. Code 360.175(7).  | Yes. Taxpayers must pay the amount of determination or enter a payment agreement before appealing the NV Tax Commission's decision to District Court. NV Stat. § 360.395(1).<br><br>Time to appeal: 45 days after service of notice of determination to petition for a redetermination. NV Stat. § 360.360(1). | Statutes of Limitation:<br>Equal: 3 years for both. Assessment – NV Stat. § 360.355.<br>Refund – NV Stat. §§ 372.635, 374.640.<br><br>Interest rates: Unequal<br>Underpayment – 0.75% per month. NV Stat. §§ 360.295, 360.417.<br>Overpayment – 0.25% per month. NV Stat. § 360.2937.  | N/A   | N/A   | Taxpayers may submit a written request for an advisory opinion, which constitutes written guidance. DOT does not release advisory opinions in redacted form or otherwise. NV Admin. Code 360.190.<br><br>To obtain such opinions requires a formal public records request and the appropriate redactions. DOT also publishes Technical Bulletins.<br><br>Neither the ALJ nor the Tax Commission publish rulings.  |  |

| State            | Independent Tax Dispute Forum?   | Pay-to-Play & Adequate Time for Appeal?  | Even-Handed SOLs and Interest Rates?  | Corporate Return Due Date and Extensions  | Reporting Federal Corporate Tax Changes  | Transparency in Tax Guidance and Rulings   | Other Fairness Issues   |
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| <p><b>NH</b></p> | <p>Yes, but generally only after a hearing before the Dept.-appointed hearing officer, whose decisions must be signed by the Tax Commissioner. Final determinations of the Commissioner's hearing officer's orders are reviewed de novo with an appeal to either the Bd of Tax &amp; Land Appeals (BTLA) or Superior Court. NH Stat. § 71-B:11 &amp; 21-J:28-b, IV. While the BTLA requires tax expertise of real estate valuation and appraisal or both (NH Stat. § 71-B:1), and substantially all cases before the BTLA, relates to property taxes, not business taxes. As a result, business tax appeals are almost always brought in Superior Court.</p> | <p>No. Generally prepayment or bond is not required. However, the BTLA or Superior Court may require taxpayers to post bond if the DOR makes a request based on risk of non-payment. NH Stat. § 21-J:28-b, V.</p> <p><i>Time to appeal:</i> 60 days after notice of the assessment (the issuance date). NH Stat. § 21-J:28-b, I.</p>                         | <p><i>Statutes of Limitation:</i> Partially equal. Assessment – Later of 3 yrs from date return was filed or extended due date. NH Stat. § 21-J:29, I(a). Refund – Later of 3 years from original due date or 2 years from date of payment. NH Stat. § 21-J:29, I(b). For refund claims on fed. or state constitutional grounds, 120 days from original due date, which is notably before most tax returns are filed on extension. NH Stat. § 21-J:29, I(d).</p> <p><i>Interest rates:</i> Unequal. Underpayment – Fed. Underpayment rate as of Sept. 1 of the preceding calendar year plus 2%. NH Stat. § 21-J:28, II. Overpayment – Fed underpayment rate as of Sept. 1 in the preceding year less 3%. NH Stat. § 21-J:28, III.</p> | <p><i>Original:</i> 15th day of the 4th month in the case of business organizations other than partnerships, following the close of the taxable period. NH Stat. § 77-A:6, I; 77-E:5.</p> <p><i>Extended:</i> 7 months. NH Code Admin. Rule 307.09 &amp; Rev. 2407.07.</p> <p><i>Automatic Extension:</i> Yes. Taxpayer must apply using Form BT-EXT if they have not paid 100% of their Business Enterprise Tax (BET) and/or Business Profits Tax (BPT) and are requesting a 7-month extension, an automatic 7-month extension to file BET and BPT returns is granted without filing the form. BT EXT Instructions (2022).</p> | <ul style="list-style-type: none"> <li>- Final determination is defined but does not require exhaustion of all appeals. N.H. Rule 307.11 (b) (Profits Tax) and N.H. Rule 2407.06(b) (Enterprise Tax).</li> <li>- 6 months to report IRS changes. NH Stat. §§ 77-A:10 (Profits Tax) &amp; 77-E:9 (Enterprise Tax).</li> <li>- Scope limited to IRS changes; it is unknown if assessment/refund periods are the same. NH Admin. Rule 307.11.</li> <li>- No specific authority for est. payments.</li> <li>- Entity level tax makes adoption of the MTC Consensus Model unnecessary.</li> </ul> | <p>DRA publishes Declaratory Rulings on its website relating to specific taxpayers with taxpayer information redacted and Technical Information Releases relating to general, non-binding guidance. A limited number of rulings are published on the DRA's website because this mechanism is rarely pursued.</p> <p>The DRA Hearings Bureau does not publish decisions. BTLA decisions are published (searchable database). Select orders of the Superior Court are published.</p> |   |
| <p><b>NJ</b></p> | <p>Yes. Taxpayers may appeal to the NJ Tax Court. NJSA §§ 54:51A-13, 54:10A-19.2. Decisions of the Tax Court may be appealed to the Appellate Division of the Superior Court. NJSA § 2B:13-4. Tax Court judges are chosen based on their special qualifications, knowledge, and experience in matters of taxation. NJSA § 2B:13-6.</p>   | <p>No. Prepayment is not required before the NJ Tax Court nor for appeals to the Appellate Division of the Superior Court. See generally, Tax Court of NJ Part VIII Rules Handbook, Revised and eff. 9/1/2022.</p> <p><i>Time to appeal:</i> 90 days after issuance date of Notice of Assessment Related to Final Audit Determination. NJSA 54:49-18(a).</p> | <p><i>Statutes of Limitation:</i> Equal. 4 years for both. Assessment – NJSA 54:49-6(b). Refund – NJSA 54:49-14(a).</p> <p><i>Interest rates:</i> Unequal. Underpayment – Prime rate plus 3%. NJSA 54:49-3. Interest runs from the date tax was due. Overpayment – Prime rate. NJSA 54:49-15.1. Interest accrues from later of date of claim, date of payment of tax, or return due date. No interest on any overpayment paid within six months.</p>  | <p><i>Original:</i> A New Jersey return is now due 30 days after the original due date of the federal corporate income tax return. The DOT will use the 15<sup>th</sup> day of the month following the federal due date unless that results in a filing window of less than 30 days. NJSA 54:10A-15.</p> <p><i>Extended:</i> 6 mos. NJSA 54:10A-19; NJAC 18:7-11.12.</p> <p><i>Automatic Extension:</i> No. TP must file Tentative Return Form CBT-200T. Instructions CBT-100 (2023). NJAC 18:7-11.12.</p>  | <ul style="list-style-type: none"> <li>- Final determination is defined &amp; based on exhaustion of all appeals. NJAC 18:7-11.2.</li> <li>- 90 days to report IRS changes. NJSA 54:10A-13 &amp; 18:7-11.8.</li> <li>- Scope limited to IRS changes and 4-year SOL periods apply to assessment/refund. NJSA 54:10A-13.</li> <li>- No statutory authority for estimated payments, but payment may be allowed if clear reason and documentation provided.</li> <li>- Generally comports with the MTC Consensus Model for reporting federal partnership adjustments. NJSA 54:50-47.</li> </ul>  | <p>Taxpayers can request Letter Rulings from the NJ DOT. Letter Rulings are published on the DOT's website at the discretion of the Director.</p> <p>Tax decisions are available on the NJ Courts website back to 2017. Prior to 2017, decisions are available on the Rutgers Law School website. Decisions of the Conferences and Appeals Branch are not publicly released.</p>   | <p>Nonresident employees are subject to withholding on first day of travel into the State. NJSA § 54A:7-1; NJAC§ 18:35-7.2.</p> |

| State            | Independent Tax Dispute Forum?  | Pay-to-Play & Adequate Time for Appeal?   | Even-Handed SOLs and Interest Rates?   | Corporate Return Due Date and Extensions   | Reporting Federal Corporate Tax Changes  | Transparency in Tax Guidance and Rulings   | Other Fairness Issues   |
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| <p><b>NM</b></p> | <p>Yes. The Administrative Hearings Office (AHO) is an independent agency administratively attached to the Dept of Finance &amp; Administration. NMSA § 7-1B-2. Tax expertise is required. NMSA § 7-1B-4. The taxpayer may appeal the hearing officer's decision to the Court of Appeals. NM Stat. § 7-1-25. The forum is dedicated to resolving tax disputes, although it also hears matters related to the Motor Vehicle Division and certain proceedings under the Medicaid provider and managed care act.</p>   | <p>No. Prepayment is not required to protest an assessment. Any un-protested amount of tax, penalty, or interest must be paid or an installment agreement entered into before the due date of the protest. NMSA § 7-1-24. No prepayment or bond required for AHO hearings or for subsequent appeal. Taxpayer may choose to pay an assessment and claim a refund in state trial court.</p> <p>Time to appeal: Protests must be filed within 90 days after the date of mailing to taxpayer by the dept. of the notice of assessment and demand for payment. NMSA § 7-1-24(E).</p> | <p>Statutes of Limitation: Equal: 3 years for both. Assessment – NMSA § 7-1-18(A). Refund – NMSA § 7-1-26(F). 6-yr SOL for 25%+ understatement, 7-year SOL for non-filers and 10-year SOL for fraud.</p> <p>Interest rates: Equal. Fed Overpayment rate. Underpayment – NMSA § 7-1-68(B). Underpayment – NMSA § 7-1-67(B). For underpayments, interest accrues from 1st day after tax is due. NMSA § 7-1-67(A). Interest is paid from date of claim for refund. If a refund arises from an assessment, interest is paid from date of overpayment. NMSA § 7-1-68(C).</p>  | <p>Original: Federal due date. NM Stat. § 7-2A-9. The due date can be extended to the end of the month of federal due date if taxpayer uses approved electronic media to file and pay the tax. NMSA § 7-2A-9(C). Extended: 6 months automatic, DOR may grant up to 12 months "for good cause." NMSA § 7-1-13(E). Automatic Extension: Yes. May use Form RPD-4109% but if approved federal extension form accompanies the CIT-1, DOR accepts the extended time the IRS granted. NMSA § 7-1-13(E).</p> | <ul style="list-style-type: none"> <li>- Final determination is based on exhaustion of all appeals. NMSA § 7-1-13(N)(8).</li> <li>- 180 days to report IRS changes. NMSA § 7-1-13(E).</li> <li>- Unclear if scope limited to IRS changes (refund is limited to IRS issues); Assessment period is 3 years and refund period is 1 year. NMSA §§ 7-1-18 &amp; 7-1-26.</li> <li>- Estimated payments allowed; NMSA § 7-1-13(K).</li> <li>- Generally, compares with the MTC Consensus Model for reporting federal partnership adjustments. NMSA § 7-1-13.</li> </ul> | <p>DOR issues Revenue Rulings that are binding on the DOR as to the requesting taxpayer on the facts presented, unless there is a change in law or the ruling is withdrawn. They are public in redacted form on the DOR's website. NMSA §§ 7-1-60 (binding effect); 9-11-6.2(B)(2) (authority to issue). All current, valid rulings are published in redacted form on the DORs website.</p> <p>Decisions and orders of the AHO are published to the DOR's website chronologically with synopsis for each case and link to full text.</p> | <p>NM imposes a non-uniform threshold for when an employer of a nonresident employee is subject to withholding for personal income tax. NMSA § 7-3-3(A)(2).</p>                             |
| <p><b>NY</b></p> | <p>Yes. Division of Tax Appeals (DTA) is an independent, two-tier appellate system operated and administered by the Tax Appeals Tribunal (TAT). The TAT comprises three commissioners with knowledge and skill in the area of taxation. Two commissioners must have practiced law in the State for 10 years prior to appointment. NYTL§§ 2002-2010. The record for appeal is established at the ALJ level of the DTA. 20 NYCRR 3000.15; 20 NYCRR 3000.17. ALJ decisions are appealable to the TAT. NYTL§§ 2006, 2010(4); 20 NYCRR § 3000.17. TAT decisions are appealable to the Appellate Division of the Supreme Court. 20 NYCRR § 3000.20.</p> | <p>Partial. Prepayment or bond is not required for DTA or TAT. However, deficiencies of sales/use tax must be deposited with the Department to establish jurisdiction in the Appellate Division of the Supreme Court. NYTL § 1090(a) (corporate tax), 1138 (a)(4) (sales/use tax).</p> <p>Time to appeal: Notice of determination may be appealed within 90 days from mailing. NYTL § 1089 (b), 1138(a) (1).</p>  | <p>Statutes of Limitation: Equal: 3 years for both. Assessment – w/in 3 years of return filing. N.Y. Tax Law §§ 1083(a), 1147(b). Refund – later of 3 years from filing date or 2 years from payment of tax. NYTL §§ 1087(a), 1139(c).</p> <p>Interest rates: Unequal. Underpayment – Fed short-term rate plus 7% NYTL § 1096(e) (2)(B). Interest runs from last due date under Art. 9 or 9-A. NYTL § 1084(a). 1.4.5% for sales tax. NY TL § 1145 (a)(1)(ii). Interest runs from due date. 20 NYCRR § 536.1 (b). Overpayment – Fed. short-term rate plus 2%. NYTL § 1096(e) (2)(A). Interest accrues from date of overpayment. NYTL § 1088(a).</p> | <p>Original: Same as federal – April 15 for calendar-year taxpayers. N.Y. Tax Law § 211(1). Extended: 6 months. NY TL§§ 211(1), 1515. Automatic Extension: No. Taxpayer must apply using Form CT-5.</p>  | <ul style="list-style-type: none"> <li>- Final determination is defined and is based on exhaustion of all appeals for tax year. 20 NYCRR 6-1.3(b).</li> <li>- 90 days to report IRS changes (120 days for combined reports). NYTL § 211 (3).</li> <li>- Scope limited to IRS changes and in general 2-year SOL periods apply to assessment/refund. NYTL § 1083(c)(3) &amp; 1087(c).</li> <li>- No clear authority for estimated payments.</li> <li>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.</li> </ul>       | <p>DTF is required by statute to issue written advisory opinions that are binding on the DIF only with respect to the person for whom the advisory is rendered. NYTL § 171. Advisory opinions are redacted to maintain taxpayer confidentiality, and are published on the DTF's website, along with other taxpayer guidance.</p> <p>The DTA publishes determinations and decisions on its website, which generally must be searched.</p>   | <p>State imposes a non-uniform threshold for when an employer of a nonresident employee is subject to withholding for personal income tax. N.Y. DTF, TSB-M-12(5); 20 NYCRR 171.6(b)(4).</p> |



| State            | Independent Tax Dispute Forum?   | Pay-to-Play & Adequate Time for Appeal?  | Even-Handed SOLs and Interest Rates?  | Corporate Return Due Date and Extensions  | Reporting Federal Corporate Tax Changes   | Transparency in Tax Guidance and Rulings  | Other Fairness Issues   |
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| <p><b>NC</b></p> | <p>Yes. The Office of Administrative Hearings (OAH) is an independent agency. NCGS § 105-241.15. The Chief ALJ may designate certain ALJs to preside over tax cases, but no specific tax experience is required. NCGS § 7A-753. The Business Court (a special division of the Superior Court) hears nearly all tax appeals from OAH decisions. NCGS §§ 105-241.16; 7A-45.4. There is minimal opportunity to supplement the record established at OAH during the Business Court appeal.</p>   | <p>Partial. Prepayment or bond is not required to appeal to OAH. However, a taxpayer must pay the full amount of the tax, penalties, and interest due under an OAH Final Decision to appeal to the Superior Court. NCGS § 105-241.16.<br/><br/>Time to appeal: 45 days to request DOR review after denial of refund or assessment mailed or delivered. NCGS § 105-241.11(a).</p>                           | <p>Statutes of Limitation: Generally equal. Generally, 3 years from due date for both. Assessment – 3 years from due date or 3 years after taxpayer filed, if later. NCGS § 105-241.8(a). Refund – 3 years from due date or 2 years after payment, if later. NCGS § 105-241.6(a).<br/><br/>Interest rates: Equal: From minimum 5% to maximum 16% per year. NCGS § 105-241.21(a).</p>  | <p>Original: Same as federal – 15th day of 4th month following close of income year. NCGS § 105-130.17(b).<br/><br/>Extended: 6 months. NCGS §§ 105-130.17(d), 105-263(b), (c). CD-405 Instructions, C-Corporation Tax Return (2022).<br/><br/>Automatic Extension: No. Taxpayer must apply using Form CD-419. CD405 Instructions, C-Corporation Tax Return (2022).</p>   | <ul style="list-style-type: none"> <li>- Final determination is not adequately defined to limit reporting based on exhaustion of all appeals. NCGS § 105-130.20.</li> <li>- 6 months to report IRS changes. NCGS § 105-130.20.</li> <li>- Scope is limited to IRS changes and in general 1-year SOL periods apply to assessment/refund. NCGS §§ 105-241.6 &amp; 105-241.10.</li> <li>- Allows estimated payments, refundable when event is finalized. NCGS § 105-241.6(b).</li> <li>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.</li> </ul> | <p>NC Session Law 2016- 103 (NCGS § 105-264.2) requires the DOR to publish on its website redacted copies of all "written determinations" (including alternative apportionment rulings, private letter rulings, and redetermination private letter rulings) issued on or after Jan. 1, 2010.<br/><br/>OAH final determinations (not redacted) filed are on OAH's and DOR's websites. Business Court decisions are also posted online.</p> | <p>Nonresident employees are subject to withholding on first day of travel into the State. NCGS §§ 105-153.2, 105-163.1, 105-163.2.</p>                           |
| <p><b>ND</b></p> | <p>No. Taxpayers may file an administrative complaint after a final assessment by the Tax Commissioner. See, e.g., NDCC §§ 57-38-39, 57-38-40, 57-39.2-16; N.D. Taxpayer Bill of Rights. Proceedings are taken pursuant to NDAC § 28-32-21. The hearing officer assigned is required to ensure hearings are fair and impartial. NDCC § 28-32-31; ND Taxpayer Bill of Rights. Appeals from an administrative order are to district court. NDCC §§ 28-32-42 to 28-32-46. Except as otherwise provided, the agency record is the exclusive basis for administrative agency action and judicial review of agency action. NDCC § 28-32-44(5).</p> | <p>Partial. Prepayment or bond is not required for administrative appeals. However, appeal from an order of an administrative agency does not stay the enforcement of the agency's order unless the court to which the appeal is taken orders a stay, subject to such terms and conditions as the court may impose. NDCC §§ 28-32-42, 28-32-48.<br/><br/>Time for appeal: 30 days. NDCC § 57-38-39(3).</p> | <p>Statutes of Limitation: Generally equal: 3 years for both. Assessment – NDCC §§ 57-38-38(1); 57-39.2-15. Longer SOL for material understatement or failure to file. Refund – NDCC §§ 57-38-40; 57-39.2-24.1. Statute is lengthened for material overstatement and shortened if challenge is constitutional. NDCC § 57-01-19.<br/><br/>Interest rates: Equal for income taxes, but unequal for sales/use taxes. Underpayment – income tax &amp; sales/use taxes: 1% per mo. NDCC §§ 57-38-45(1)(d); 57-39.2-18(1)(a) Overpayment – income tax: 1% per month. NDCC § 57-38-35.2(1). Sales/Use: 10% per annum. NDCC § 57-39.2-25.</p> | <p>Original: Same as federal – on or before the 15th day of April following the close of the CY. NDCC § 57-38-34(2); Form 40 Instructions.<br/><br/>Extended: State automatic extension for one month after the due date of the automatic federal extension. <i>Id.</i><br/><br/>Automatic Extension: Yes. Extension of time to file a federal return is automatically accepted for the state return. Attach a copy of the federal Form 7004 to the state tax return and mark the extension circle on page 1.</p> | <ul style="list-style-type: none"> <li>- Final determination is defined and is based on exhaustion of all appeals. NDAC § 81-03-01.1-09(1)(b).</li> <li>- 90 days to report IRS changes. NDCC § 57-38-34.4(1).</li> <li>- Scope is limited to IRS changes and 2-year SOL periods apply to assessment/refund. NDCC §§ 57-38-40(7)(b) &amp; 57-38-38(6)(a).</li> <li>- No estimated payment process.</li> <li>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.</li> </ul>   | <p>The Tax Commissioner may offer an opinion at the request of a taxpayer. NDAC § 81-01.1-01-11. No opinions, letter rulings or administrative rulings are publicly published by the DOR, but NDAC § 81-01.1-01-11(10) requires all opinions to be available after redacting identifying information.<br/><br/>There is no administrative adjudicatory body that hears tax cases or appeals.</p>  | <p>State imposes a non-uniform threshold for when an employer of a nonresident employee is subject to withholding for personal income tax. NDCC § 57-38-59.3.</p> |

| State | Independent Tax Dispute Forum?   | Pay-to-Play & Adequate Time for Appeal?  | Even-Handed SOLs and Interest Rates?   | Corporate Return Due Date and Extensions  | Reporting Federal Corporate Tax Changes  | Transparency in Tax Guidance and Rulings   | Other Fairness Issues   |
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| OH    | <p>Yes. The Board of Tax Appeals (BTA), ORC § 5703.02. Two of the three board members are required to be licensed attorneys with at least six years of tax experience. ORC § 5703.03. The BTA provides evidentiary hearings for purposes of establishing the record for further appeal. Taxpayers may appeal to the OH Supreme Court or Court of Appeals from final determinations of ODT or a local board of tax review (for the municipal profits tax). Taxpayers contesting real property tax matters must appeal to the Court of Appeals. ORC § 5717.04.</p> | <p>No. Prepayment or bond is not required for the BTA or for subsequent appeals. ORC § 5717.02.</p> <p>Time for appeal: 60 days after service. ORC §§ 5733.11(B), 5739.13(B), 5751.09(B); 5747.13(B).</p>  | <p>Statutes of Limitation: Equal: 4 years for both. Assessment–Sales/use taxes: ORC § 5739.16 (A). CAT: ORC § 5751.09 (F). Refund – Sales/use taxes: ORC § 5739.07 (D). CAT: ORC § 5751.08 (A).</p> <p>Interest rates: Equal. Federal short-term rate plus 3%, equally applied. ORC § 5703.47.</p>   | <p>Muni Net Profits Tax: Original: Return due on 15th day of 4th month after end of taxable year. ORC § 718.05(G)(1)(b). Extended: For taxable years ending on or after 1/1/2023, extended: 7 months. ORC § 718.05(G)(2)(a).</p> <p>Automatic extension: For taxable years ending on or after 1/1/2023. Yes. Fed extension extends due date to 15th day of 11th mo. after taxable year. Copy of fed extension not needed. ORC § 718.05(G)(2).</p> | <p>Final determination for OH PIT is defined; OH muni tax is not defined in state law and it is not clear reporting is based on exhaustion of all appeals. ORC § 718.41.</p> <p>- 60 days to report IRS changes (muni tax). ORC § 718.12(E). 90/180 days to report IRS changes for PIT. ORC § 5747.11.</p> <p>- Muni taxes: scope limited to IRS changes; unclear if refund can be filed if report not made w/60 days. ORC 718.41.</p> <p>- No clear estimated payment process.</p> <p>- Ohio PIT, but not muni tax, generally comports with the MTC Consensus Model for reporting federal partnership adjustments. ORC § 5747.10.</p> | <p>DOT publishes redacted Tax Commissioner Opinions unless the taxpayer requests confidentiality. ORC § 5703.53. Only a handful published since 2009.</p> <p>BTA publishes its decisions to its website (searchable). BTA is also required to maintain a public journal of its decisions and proceedings at its offices. ORC § 5703.02(C). Final Determinations are published on ODT's website and can request copies of specified decisions or inspect them at DOT.</p> | <p>State imposes a non-uniform threshold for when an employer of a nonresident employee is subject to withholding for personal income tax. ORC § 5747.06.</p>           |
| OK    | <p>No. The administrative law judges which hear protests of proposed assessments and denials of refund claims are employees of the Oklahoma Tax Commission. The attorneys in the Commission's General Counsel's Office represent the division before the ALJs and the Commissioners. Taxpayers may appeal decisions of the Tax Commission to the OK Supreme Court or file an appeal in district court for a trial de novo. OK Stat. 68, § 221; § 225.</p>  | <p>No prepayment or bond is required to protest to the Tax Commission or appeal from a decision of the Tax Commission to the district court or the Supreme Court. OK Stat. 68, § 221; § 225.</p> <p>Time to appeal: Taxpayer has at least 60 days from the issuance date, not from the date of mailing, of proposed assessment. OK Stat. 68, § 221(C).</p> | <p>Statute of Limitations: Generally equal. Assessment – 3 yrs. OK Stat. 68, § 223(A). Refund – Generally, 3 yrs. OK Stat. 68, § 227(b)(1). For sales/use tax, 2 years for claims filed on or after 8/26/16. OK Stat. 68, § 227(b)(2).</p> <p>Interest rates: Equal. 1-.25% per month for assessments and refunds. Underpayment – OK Stat. 68, § 217(A). Overpayment – OK Stat. 68, § 217(H)(3), for income tax refunds not paid within 45 days for returns filed electronically, and not paid within 90 days for all other returns.</p> | <p>Original: Thirty (30) days after the federal due date. Okla. Stat. Ann. tit. 68, § 2368(H) (4), (5).</p> <p>Extended: 7 months. Okla. Stat. Ann. tit. 68, § 216.</p> <p>Automatic Extension: Yes, unless tax is owed. If tax is owed, Form 504 must be filed. OK Admin. Code § 710:50-3-4.</p>   | <p>- Final determination is not adequately defined to limit reporting based on exhaustion of all appeals. OK Stat. 68, §§ 2353 &amp; 2375.</p> <p>- 1 year to report IRS changes. OK Stat. 68, § 2375(H)(2).</p> <p>- Scope not limited to IRS changes (allocation &amp; apportionment can be adjusted), 2 years to assess and only 1 year for refund. OK Stat. 68, §§ 2373 &amp; 2375(H)(3&amp;4). No clear estimated payment process (payment can be made under protest). OK Admin. Code § 710:1-3-47.</p> <p>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.</p>                       | <p>Tax Commission issues letter rulings to taxpayers, at its discretion. OK Admin. Code § 710:1-3-73(f). Letter rulings are published with taxpayer information redacted.</p> <p>Tax Commission decisions are published with taxpayer information redacted. OK Stat. 68, § 221(G); OK Admin. Code § 710:1-3-72.</p>  | <p>State imposes a non-uniform threshold for when an employer of a nonresident employee is subject to withholding for personal income tax. OK Stat. 68 § 2385.1(e).</p> |

| State     | Independent Tax Dispute Forum?  | Pay-to-Play & Adequate Time for Appeal?  | Even-Handed SOLs and Interest Rates?  | Corporate Return Due Date and Extensions   | Reporting Federal Corporate Tax Changes   | Transparency in Tax Guidance and Rulings  | Other Fairness Issues   |
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| <b>OR</b> | Yes. The Oregon Tax Court is independent and conducts de novo proceedings. ORSA §§ 305.405, 305.501, 305.425. Tax Court judges must have been attorneys engaged in practice but are not required by statute to possess tax expertise. ORSA § 305.455.   | Partial. Tax is not due in the Magistrate Division of the Tax Court. ORSA § 305.565(1). However, absent hardship, payment is required for special designation to the Regular Division (i.e., skipping Magistrate Division) or for subsequent appeal to the Regular Division. ORSA § 305.419.<br><br>Time to appeal: Within 90 days after the act, omission, order, or determination becomes actually known to the person. ORSA § 305.275(1)(a). 30 days from date of notice of deficiency for non-mandatory, informal conference at DOR. ORSA § 305.265(5)(b).                               | <b>Statute of Limitations:</b><br>Equal: 3 years for both. Assessment – ORSA § 314.10(1).<br>Refund – ORSA § 314.415(2)(a). (3 years from when return was filed or 2 years after tax paid, whichever is later). Several exceptions apply.<br><br><b>Interest rates:</b> Equal. Rates vary by tax periods, but equally applied. ORSA § 305.220(4).<br>Underpayment – ORSA § 305.220(1).<br>Overpayment – ORSA § 305.220(2). Generally, interest starts 45 days after payment. ORSA § 314.415(1).   | <b>Original:</b> 15th day of the month following the due date of the federal return. ORSA § 314.385(1)(b).<br><br><b>Extended:</b> The Oregon extension due date is the 15th day of the month following what would be the federal extension's due date. Form 20 instructions pg. 8; ORSA § 314.385(1)(c).<br><br><b>Automatic Extension:</b> Yes. No application is required. Attach a copy of the federal extension and check the extension box on the OR return.   | - Final determination is not defined in state law and unclear if reporting is based on exhaustion of all appeals. OAR 150-314-0224.<br><br>- No time specified for reporting federal audit changes. 90 days to report federal amended returns. ORSA § 314.380(2)(c).<br><br>- Scope not limited to IRS changes (taxpayer and DOR) and, in general, 2-year SOL assessment /refund. ORSA §§ 314.410(4)(b) & 314.380 (2)(b).<br><br>- No clear estimated payment process.<br><br>- Generally, compares with the MTC Consensus Model for reporting federal partnership adjustments. | DOR may issue declaratory rulings, but rarely exercises this authority. ORSA § 305.105. Instead, the DOR encourages questions for a written response. These letters are not binding or published.<br><br>All Tax Court decisions are searchable online or can be viewed in chronological order.   | State imposes a non-uniform threshold for when an employer of a nonresident employee is subject to withholding for personal income tax. ORSA § 316.167; OAR § 150-316-0255.                 |
| <b>PA</b> | Partial, but cumbersome. Taxpayers must first file a petition with the Board of Appeals (BOA) within the Dept. of Revenue. Appeals from BOA decisions are to the Board of Finance & Revenue (BF&R), which exclusively handles tax disputes. 72 PA Code §§ 501-503. It consists of the State Treasurer or designee, and two members nominated by the Gov with Senate approval. 72 PA Code § 9703.1(a). Each member must be in good standing as a licensed attorney or CPA in PA, with at least 10 years' experience of PA tax law. 72 PA Code § 9703.1(c). No record is established at BF&R. Pa. R.A.P. 1571(f). Settlement opportunities are limited. Appeals from the Board are to the PA Commonwealth Court and are de novo. 72 PA. Code § 9704(f). | Prepayment is not a requirement to appeal at any level. After appealing to the Board of Appeals (part of the DOR) and after filing an appeal in Commonwealth Court, the DOR may request security in the amount of 120% of taxes and penalty found due. See e.g., Pa. R.A.P. 1782. The DOR will stay collection action under Misc. Tax Bulletin 2011-01, when financial info. from TP shows that collection is not in jeopardy.<br><br>Time to appeal: 60 days after notice of assessment mailing date. 72 PA Code § 9702(a). See Rev 1799A. Time Limitations on Filing Petitions for Appeal. | <b>Statutes of Limitations:</b><br>Equal: 3 years for both. Assessment – Within 3 years of filing for corporate income tax; for sales tax, later of 3 years from end of year tax liability arises or filing date. 72 PA Code §§ 7407.3(a), 7258.<br>Refund – within 3 years of payment of tax. 72 PA Code § 10003.1. For amounts paid under assessment or audit, 6 months from actual payment date.<br><br>Interest rates: Unequal. Underpayment – Fed. U.S.C.A. § 6621. 72 PA Code § 806. Runs from due date of tax. Overpayment – Federal overpayment rate minus 2%. 72 PA Code § 806.1(b). Interest accrues from later of date of overpayment or due date. | <b>Original:</b> Due date is on or before the fifteenth day of the month following the due date of the federal return. 72 PA Code § 7403(a)(1)(iii).<br><br><b>Extended:</b> Extended due date is the fifteenth day of the month following the termination of the federal extension. 72 PA Code § 7405.<br><br><b>Automatic Extension:</b> Yes. Taxpayers granted an extension to file the federal income tax return will automatically be filed RCT-101, PA Corporate Net Income Tax Report. 2022 PA Corporate Net Income Tax - CT-1 Instructions | - Final determination is not adequately defined to limit reporting based on exhaustion of all appeals. 61 PA Code § 153.54(d).<br><br>- Corporations have 6 months to report IRS changes (partnerships 30 days). 61 PA Code § 153.54(c).<br><br>- Scope limited to IRS changes; Commonwealth v. Lukens Steel (1961). Assessment/refund SOL is 3-years. 73 P.S. § 7407.3(a).<br><br>- Allows estimated payments.<br><br>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.   | A limited number of redacted letter rulings are available on the DOR's website. The DOR also issues advisory opinions that are not binding or published and Tax Bulletins and Tax Informational Notices that are published on the DOR's website.<br><br>Beginning with 2014 decisions, the Board of Finance and Revenue issues and publishes written decisions which are indexed and published on a publicly accessible website maintained by the Board. Only dollar amounts and ID numbers are redacted. | State imposes a non-uniform threshold for when an employer of a nonresident employee is subject to withholding for personal income tax. PA DOR Employer Information Guide (Rev. Jan. 2023). |

| State | Independent Tax Dispute Forum?   | Pay-to-Play & Adequate Time for Appeal?  | Even-Handed SOLs and Interest Rates?   | Corporate Return Due Date and Extensions   | Reporting Federal Corporate Tax Changes  | Transparency in Tax Guidance and Rulings   | Other Fairness Issues   |
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| RI    | Administrative appeals are decided by the tax administrator with hearings conducted by a hearing officer that is not an employee of the Dept of Revenue (which is the agency that includes the Division of Taxation), but of a separate state agency, the Dept of Administration. The Hearing Officer has expertise in handling tax matters and has been handling all administrative hearings for the Division of Taxation since 2008. Appeals of those decisions are to the District Court, tried de novo. RIGL §§ 8-8-24, 44-11-6, 44-11-20, 44-30-89, 44-19-17, 44-19-25, with right of appeal to the RI Supreme Court. | Prepayment is required before appeal to District Court. Motion for exemption granted only in hardship cases where taxpayer can show reasonable probability of success on the merits. RIGL §§ 8-8-25, 8-8-26.<br><br>Time to appeal: 30 days after mailing of notice. RIGL §§ 44-30-89(a), 8-8-25(b).   | <b>Statutes of Limitations:</b><br>Equal: 3 years for both. Assessment – Corporate: RIGL § 44-11-7.(a). Sales Tax: RIGL § 44-19-13. Refund – Corporate: RIGL § 44-11-20(a). Sales Tax: RIGL § 44-19-26.<br><br><b>Interest rates:</b> Unequal. Underpayment – Prime rate plus 2%, but after Jan 1, 2023, the rate cannot be less than 12% or more than 21%. RIGL §§ 44-11-7, 44-11-21. (Excessively high rate is not reflective of time value of money.) Overpayment – Prime rate. RIGL § 44-11-7.(b). | <b>Original:</b> Same as federal. Form RI 1120C; RIGL § 44-11-3. RIDOT Advisory No. 2016-16.<br><br><b>Extended:</b> Follows federal. RIGL § 44-11-5. RIDOT Advisory No. 2016-16.<br><br><b>Automatic Extension:</b> Yes. No application is required.  | - Final determination is not defined in state law. Unclear that reporting is based on exhaustion of all appeals. RIGL § 44-11-19.<br><br>- 60 days to report IRS changes. RIGL § 44-11-19.<br><br>- Unclear if scope limited to IRS changes; in general 3-year SOL for refund/assessment. RIGL § 44-11-7.1(a) & RI Regs. CT 280-20-25-1.<br><br>- DOR states it allows est. payments.<br><br>- Does not follow the MTC Consensus Model for reporting federal partnership adjustments. HB 5151 Sub. A, Art. 5 (2019). | A limited number of declaratory (private letter) rulings are published with taxpayer information redacted on DOT's website. Decisions on administrative appeals are published, with taxpayer information redacted, on the DOT's website.   | Nonresident employees are subject to withholding on first day of travel into the State. RIGL §§ 44-30-2(a) & 44-30-71.  |
| SC    | Yes. Taxpayer may appeal to the Administrative Law Court (ALC) SC Code § 12-60-450, which is composed of six judges elected by the General Assembly. SC Code § 1-23-500. Tax expertise is not required. SC Code § 1-23-520.  | <b>Partial.</b> No pre-payment is required for appeal to the ALC for taxes other than property taxes. SC Code §§ 12-60-2140, 2-60-2550, 12-60-2930. However, payment of tax or bond must be posted to appeal to the Court of Appeals. SC Code § 12-60-3370.<br><br><b>Time to appeal:</b> 90 days to appeal a decision or proposed assessment, beginning on the decision date or assessment date. SC Code § 2-60-450 (A). 30 days to appeal a dept. determination beginning on the date of the determination. CID-25 7/21/20). | <b>Statutes of Limitations:</b><br>Equal: 3 years for both. Assessment – SC Code § 12-54-85(A). Refund – SC Code § 12-54-85(F)(1).<br><br><b>Interest rates:</b> Unequal. Underpayment – Fed. Code § 12-54-25(D). Overpayment – Fed. Code § 12-54-25(D), but interest on refunds is reduced. For FY '23, the Dept. must reduce the rate paid on eligible refunds by 3% points. SC Info. Letter #23-15.   | <b>Original:</b> Same as federal – 15th day of 4th month. SC Code § 12-6-4970(A).<br><br><b>Extended:</b> 6 months. SC Code § 12-6-4980(A).<br><br><b>Automatic Extension:</b> No. Taxpayer must apply using Form SC 1120-T (providing "the Department may allow an extension"). SC Code § 12-6-4980(A). | - Final determination is not defined in state law and it is not clear reporting is based on exhaustion of all appeals. SC Code § 12-54-85(D).<br><br>- 180 days to report IRS changes. SC Code § 12-54-85(D)(2).<br><br>- Unclear if scope limited to IRS changes and no clear SOL for assessment/refund.<br><br>- DOR states it allows est. payments.<br><br>- Does not conform to the MTC Consensus Model for reporting federal partnership adjustments.   | Advisory opinions, which include revenue rulings, revenue procedures, and private letter rulings (with taxpayer information redacted), are published by the SC DOR on its website. Administrative Law Court (ALC) decisions are published on the ALC website, and are searchable (for example, all tax decisions may be viewed by searching by Case Type "State Tax"). | DOR has commenced numerous forced combination audits with no standards for combination. DOR is retroactively attempting to impose a marketplace collection law. See, Amazon Services, LLC v. SC DOR<br><br>State imposes a non-uniform threshold for w/holding on out-of-state employer of a nonresident employee. SC Code § 12-8-520(A). |

| State | Independent Tax Dispute Forum?   | Pay-to-Play & Adequate Time for Appeal?  | Even-Handed SOLs and Interest Rates?   | Corporate Return Due Date and Extensions   | Reporting Federal Corporate Tax Changes  | Transparency in Tax Guidance and Rulings  | Other Fairness Issues |
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| SD    | No. The Secretary of Revenue may accept, reject, or modify proposed decisions of the Office of Hearing Examiners and issue a final decision. SDCL § 1-26D-4. The final decision of the Secretary may be appealed to the Circuit Court, which must accord "great weight" to the findings and inferences made by the agency on questions of fact. SDCL § 1-26-36.  | Yes. If the Secretary accepts the final decision of the hearing examiner, prepayment or bond is required to appeal. If the Secretary rejects or modifies the hearing examiner's decision, prepayment or bond is not required. If the Secretary's decision is affirmed by the circuit court, prepayment or bond is required for further appeal. SDCL § 10-59-9<br><br>Time to appeal: 60 days from mailing of certificate of assessment by certified mail. SDCL § 10-59-9.  | Statutes of Limitations: Equal: 3 years for both. Assessment – SDCL § 10-59-16. Refund – SDCL § 10-59-19. Interest rates: Equal. 1% per month. Underpayment – SDCL § 10-59-6. But if failure to pay was with intent to avoid, the rate is 1.5% per month. Overpayment – SDCL § 10-59-24. DOR can deny interest if it determines that overpayment was taxpayer's error. SDCL § 10-59-24.  | No corporate income tax but imposes bank franchise tax. Original: Financial institution return is due 15 days after federal income tax return is due. SDCL § 10-43-30. Extended: 6 months with federal extension form. SDCL § 10-43-30.1. Automatic Extension: Yes. No application is required. SDCL § 10-43-30.1 sets forth the actions needed to receive an extension. | - Final determination (bank tax) is not defined in state law and unclear reporting is based on exhaustion of all appeals. SDCL 10-43-50.1. - 120 days to report IRS changes. SDCL § 10-43-50.1. - Scope limited to IRS changes; refund must be made w/in 120 days; DOR has 6 years to assess. SDCL §§ 10-43-50.1, 50.2, & 50.3. - DOR says estimated payments allowed. SDCL § 10-43-30.1. - Bank tax does not need conformity to the MTC Consensus Model.  | Upon request, the SD DOR will issue written advice to a taxpayer, and the taxpayer can rely on this written advice. SDCL § 10-59-27. The written advice is specific to the taxpayer and not published. Administrative hearing decisions are not published.  |                       |
| TN    | No. An informal conference is available to dispute a proposed assessment or denial of a refund claim. Hearing Officers are DOR employees and are not truly independent, although there is separation between Hearing Officer decisions and the audit team that made the decision on review. Hearing Officers have the requisite tax expertise. A record is not established for further appeal. TNC § 7-1-1438. Suits challenging an assessment or disputing the Dept's denial of a refund claim are heard by the Chancery Court of Davidson County or the Chancery Court of the county where taxpayer has its principal place of business. TNC §§ 67-1-1801 to 67-1-1807. Davidson County Chancery Court Chancellors have significantly more state tax expertise than Chancellors in other counties. | Yes. To stay collection of an assessment, a bond or letter of credit in the amount of 150% of the assessment must be filed when suit is filed to contest an assessment. TNC § 67-1-1801(c). Alternatively, a taxpayer can pay the assessment and file litigation for a refund. TNC § 67-1-1801(a) (1)(A).<br><br>Time to appeal: A taxpayer has 30 days after the date of the notice of proposed assessment to request an Informal Conference. TNC § 67-1-1438(b). A taxpayer has 90 days after the date the assessment becomes final to file suit to contest the assessment. TNC § 67-1-1801(b)(1). | Statutes of Limitations: Equal: 3 years for both. The 3-year period runs from Dec 31 of the year in which the return or claim was filed. Assessment - TNC § 67-1-1501(b). Refund - TNC § 67-1-1802(a)(1)(A). Interest rates: Equal interest rate is published in Tenn. Admin. Register and is equally applied for underpayment and overpayment. TNC §§ 67-1-801(a) & (b). When determined by admin review that a taxpayer is entitled to a refund or credit of tax collected by the commissioner, interest is added to the amount of refund or credit due, beginning 45 days from the date the commissioner receives proper proof to verify the refund or credit is due and payable. TNC § 67-1-801(b)(1). | Original: Same as federal – 15th day of fourth month following close of taxable year. TNC. § 67-4-2015(a). Extended: 7-month extension. Automatic Extension: No. Taxpayer must file an extension form on or before the original due date unless no payment is required. TNC § 67-4-2015(h)(2).   | - Final determination not defined in state law and unclear if reporting is based on exhaustion of all appeals. - No specified period to report IRS changes (SOL remains open for 2 years after taxpayer notifies DOR of adjustment). TNC § 67-1-1501(b)(3). - Scope limited to IRS changes; TP has 3 years to file for refund, unclear how long DOR can assess (shall not expire prior to 2 years from filing report). TNC §§ 67-1-1802(a)(3) & 67-1-1501(b)(3). - DOR states it allows estimated payments. - Does not conform to the MTC Consensus Model for reporting federal partnership adjustments. | The Commissioner has discretionary authority to issue letter rulings and revenue rulings. These are published with taxpayer information redacted to protect confidentiality. TNC § 67-1-109<br><br>The TN DOR's Hearing Office does not issue its determinations, but instead summarizes selected final conference letters in an annual report. |                       |

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|-------|--|--|---|--|---|--|--|
| TX    | <p>Administrative tax appeals are heard by the Tax Division of the State Office of Administrative Hearings (SOAH). Taxpayers may appeal a decision to the trial court without payment, provided all uncontested tax is paid and a timely motion for rehearing is filed. See TX Tax Code §§ 112.201 and 112.204. Taxpayers may bypass the admin hearing process for refund claims and go directly to trial if certain requirements in TX Tax Code §§ 111.106 &amp; 112.151(c) are met.</p> <p>Time for appeal: A petition for redetermination must be filed before the expiration of 60 days after the date the notice of determination is issued or the redetermination is barred. TX Tax Code § 111.009(b).</p> | <p>Partial. No prepayment or bond required for an administrative hearing through SOAH. Taxpayers may appeal a negative administrative decision to the trial court without payment, provided all uncontested tax is paid and a timely motion for rehearing is filed. See TX Tax Code §§ 112.201 and 112.204. Taxpayers may bypass the admin hearing process for refund claims and go directly to trial if certain requirements in TX Tax Code §§ 111.106 &amp; 112.151(c) are met.</p> <p>Time for appeal: A petition for redetermination must be filed before the expiration of 60 days after the date the notice of determination is issued or the redetermination is barred. TX Tax Code § 111.009(b).</p> | <p>Statutes of Limitations: Equal. 4 years for both. Assessments – TX Tax Code §§ 111.201 &amp; 111.205; Refunds – §§ 111.107; 111.206; 111.201.</p> <p>Interest rates: Unequal. Underpayment - prime rate plus 1%. TX Tax Code § 111.060(b). Overpayment - lesser of the annual rate earned on state treasury deposits during December of the previous calendar year or the prime rate plus 1%. TX Tax Code § 111.064 (a).</p> | <p>Original: May 16, TX Tax Code § 171.202(b).<br/>Extended: Nov. 15</p> <p>Automatic Extension: No. Taxpayer must file Form 05-164, TX Tax Code § 171.202.</p>  | <ul style="list-style-type: none"> <li>- Final determination is defined and is based on exhaustion of all appeals. TX Tax Code § 171.212(b).</li> <li>- 120 days to report IRS adjustments. TX Tax Code §§ 111.206 &amp; 171.212(c).</li> <li>- Unclear if scope limited to IRS changes; assessment must be made 1 year within filing of report/ discovery, w/unclear refund period. TX Tax Code 111.206(c).</li> <li>- DOR allows estimated payments. TX Admin. Code §3.2(b)(3).</li> <li>- Entity level franchise tax makes adoption of the MTC Consensus Model unnecessary.</li> </ul> | <p>The Comptroller issues written guidance to requesting taxpayers. 34 TX Admin. Code § 3.1. The Texas State Tax Automated Research (STAR) System on the Comptroller's website includes redacted private letter rulings, general policy guidance, and administrative rulings. The Star System includes new documents, advanced search capabilities, and a subject matter index.</p> <p>All final SOAH decisions are published on the Comptroller's State Tax Automated Research (STAR) system and changes to SOAH proposed decisions are identified.</p> | <p>Comptroller is asserting many digital products are taxable under the State's data processing definition, including marketplace facilitator commissions.</p>                       |
| UT    | <p>Yes. The four-member State Tax Commission conducts de novo initial (informal) and formal hearings. UT Code §§ 59-1-501 to-504. Appeals from formal hearings of the State Tax Comsn go to the district court for a trial de novo. UT Code § 59-1-601. Commissioners are appointed by the Gov. with consent of the Senate. Significant tax experience is required. UT Code § 59-1-202. The Governor must also request and consider lists of qualified candidates from various groups prior to appointment. UT Code § 59-1-201.</p>  | <p>Partial. Prepayment or bond is not required for State Tax Commission hearings. Taxpayers seeking judicial review must post security with the Commission. The Commission "shall waive" this requirement if taxpayer has sufficient financial resources or collection is not jeopardized. The Commission's decision is subject to judicial review. UT Code § 59-1-611.</p> <p>Time for appeal: 30 days from date of mailing to file a petition. Supplemental information allowed later. UT Code §§ 59-1-501; 59-1-504.</p>  | <p>Statutes of Limitations: Equal: 3 years for both. Assessments – UT Code §§ 59-7-519(1)(a); 59-1-1410. Refunds – UT Code §§ 59-7-522(2); 59-1-1410.</p> <p>Interest rates: Equal. Federal short-term rate plus 2%.</p> <p>Underpayment – UT Code §§ 59-7-510, 59-1-402(3)(b). Overpayment – UT Code §§ 59-7-533, 59-1-402(3)(a).</p>  | <p>Original: Same as federal – 15th day of 4th month following close of taxable year. UT Code § 59-7-505(2).</p> <p>Extended: 6 months. Form TC-20 instructions; UT Code § 59-7-505(3).</p> <p>Automatic Extension: Yes. No application is required.</p> | <ul style="list-style-type: none"> <li>- Final determination is not defined and it is unclear reporting is based on exhaustion of all appeals. UT Code § 59-7-519(3).</li> <li>- 90 days to report IRS adjustments. UT Code § 59-7-519(3).</li> <li>- Unclear if scope limited to IRS changes; assessment must be made 3 years within filing of report (or 6 months after federal waiver expires). Unclear refund period. UT Code § 59-7-519(5).</li> <li>- UT Tax Commission states estimated payments can be made.</li> <li>- Does not conform to the MTC Consensus Model.</li> </ul>   | <p>Utah private letter rulings are published on the UT State Tax Commission (STC) website with taxpayer information redacted.</p> <p>STC decisions are published on its website with taxpayer information redacted.</p>  | <p>State imposes a non-uniform threshold for when an employer of a nonresident employee is subject to withholding for personal income tax. UT Code §§ 59-10-402 and 59-10-117.5.</p> |

| State | Independent Tax Dispute Forum?   | Pay-to-Play & Adequate Time for Appeal?   | Even-Handed SOLs and Interest Rates?   | Corporate Return Due Date and Extensions  | Reporting Federal Corporate Tax Changes  | Transparency in Tax Guidance and Rulings  | Other Fairness Issues  |
|-------|--|---|--|---|--|---|--|
| VT    | <p>No. Final determinations of the Tax Commissioner may be appealed directly to Superior Court. The administrative hearing and decision establishes the record; a taxpayer is not entitled to a de novo trial in Superior Court upon appeal. VT §§ 32-5883-5888; § 32-9817; VDOT Organization and Rules of Procedure, § 4.</p> | <p>No. Prepayment or posting a bond is not required for income tax, sales and use tax or meals and rooms tax appeals to Superior Court. VT § 32-5886 (income tax); VT §§ 32-9817 (sales and use tax); 32-9275 (meals and rooms tax).<br/><br/>Time to appeal: 60 days after date of mailing. VT 32-5883. In practice, the Dept. also places the appeal deadline in the assessment notification.</p>         | <p>Statutes of Limitations: Equal: 3 years for both. Assessment – 3 years from due date of tax or 3 years from date return was filed if late. VT § 32-5882(a). Refund – 3 years from the return due date (including extended due date). VT 32-5884(a).<br/><br/>Interest rates: Equal. Average prime rate for 12-month period beginning 10/1 of the previous year for both. VT § 32-3108(a).</p> | <p>Original: On or before the date a U.S. income tax return is required to be filed. VT § 32-5862.<br/><br/>Extended: 30 days after Federal extension filing date. VT § 32-5868.<br/><br/>Automatic Extension: No. Taxpayer must apply using Form BA-403.</p>   | <p>- Final determination is not defined and it is not clear reporting is based on exhaustion of all appeals. VT § 32-5866.<br/><br/>- 180 days to report IRS adjustments. VT § 32-5866(a).<br/><br/>- In practice, scope limited to IRS changes. In general, 6 months for assessment/refund when report filed. VT § 32-5882(b)(3) &amp; 5844(a).<br/><br/>- Unknown if est. payments allowed.<br/><br/>- Comports with the MTC Consensus Model for reporting federal partnership adjustments. VT § 32-5866a.</p>                                       | <p>The VT DOT issues binding Formal Rulings and publishes redacted Formal Rulings relating to specific taxpayers and Technical Bulletins relating to general, nonbinding guidance on its website.<br/><br/>No independent tax dispute forum exists. Some ruling summaries are published on the DOT's website.</p> | <p>State has a 30-day threshold for withholding but imposes a non-uniform threshold for when a nonresident employee is subject to liability for personal income tax.</p>                     |
| VA    | <p>No. The Tax Commissioner makes final determinations on administrative appeals. Proceedings at Circuit Court are de novo, but no tax experience is required. VCA §§ 58.1-1820 to -1825.</p>  | <p>No. Prepayment or bond is not required for administrative appeals; prepayment or bond also not required for proceedings at Circuit Court, unless the Commissioner succeeds in a motion to compel payment by meeting certain conditions or if the Commissioner determines that collection is in jeopardy. VCA § 58.1-1825.<br/><br/>Time to appeal: 90 days from date of assessment. VCA § 58.1-1821.</p> | <p>Statutes of Limitations: Equal: 3 years for both. Assessment – VCA § 58.1-104. 6-year SOL for false or fraudulent returns. Refund – VCA § 58.1-1823.<br/><br/>Interest rates: Equal. Underpayment – Federal underpayment rate plus 2%. VCA § 58.1-15. Overpayment – Federal overpayment rate plus 2%. VCA § 58.1-15.</p>  | <p>Original: Same as federal – 15th day of 4th month following close of taxable year. VCA § 58.1-441(A).<br/><br/>Extended: Any corp. may extend time to file the income tax return to 6 months after such due date or 30 days after the extended date for the federal income tax return, whichever is later. VCA § 58.1-453(A).<br/><br/>Automatic Extension: Yes. 7-month extension to file corp. income tax return is provided automatically. Instructions for Preparing 2022 Form 500 Virginia Corp. Income Tax Return.</p> | <p>- Final determination is defined to limit reporting based on exhaustion of all appeals. 23 VAC § 10-20-180(B).<br/><br/>- One year to report IRS changes. VCA § 58.1-311.<br/><br/>- Scope limited to IRS changes and assessment/refund period in general is 1 year. VAC §§ 58.1-312 &amp; 58.1-1823.<br/><br/>- Limited ability to make estimated payments; SOL for refund likely 2 years from payment. VCA § 58.1-1823.<br/><br/>- Loosely conforms to the MTC Consensus Model for reporting federal partnership adjustments. VCA § 58.1-396.</p> | <p>DOT publishes online redacted Rulings of the Tax Commissioner that include both redacted prospective guidance and redacted Rulings of the Tax Commissioner that address administrative appeals.</p>  | <p>Nonresident employees are subject to withholding on first day of travel into the State. VCA § 58.1-461.<br/><br/>VA Dept. of Taxation hires private attorneys to prosecute tax cases.</p> |

| State     | Independent Tax Dispute Forum?   | Pay-to-Play & Adequate Time for Appeal?   | Even-Handed SOLs and Interest Rates?   | Corporate Return Due Date and Extensions  | Reporting Federal Corporate Tax Changes   | Transparency in Tax Guidance and Rulings   | Other Fairness Issues   |
|-----------|--|---|--|---|---|--|---|
| <b>WA</b> | Yes. The WA State Board of Tax Appeals (BTA) is an independent agency hearing appeals from final decisions of the DOR's Admin. Review and Hearings Division. While tax expertise is required (RCW 82.03.020), the BTA hears both property and excise tax matters, and members may lack expertise in one or the other tax. Within the BTA is an optional informal path which cannot be appealed by either party, and a formal path (where a record is established) which can be appealed to the superior court. | Yes. DOR is not fore-closed from collecting tax, even though payment of tax is not a jurisdictional requirement in the BTA. Taxpayers may request a stay of collection from the DOR and post a bond. The DOR has recently taken the position that taxpayers who do not pay the assessment and post a bond will be subjected to a penalty for failure to timely pay should they lose their BTA appeal. Payment is a jurisdictional requirement for appeals both directly to the superior court and from BTA decisions. RCW 82.32.180.<br><br>Time to appeal: 30 days after mailing of notice for excise taxes (includes sales/use and B&O taxes). WRC § 82.03.190. | Statutes of Limitations: Equal. 4 years plus the current calendar year for both.<br>Assessment – WRC §§ 82.32.050(4), 82.32.100(3).<br>Re-fund – WRC § 82.32.060(1).<br><br>Interest rates: Equal.<br>Federal short-term rate plus 2%.<br>Underpayment – WRC § 82.32.050(2).<br>Overpayment – WRC §§ 82.32.060(1), 82.32.060(5)(b), 82.32.050(2).  | N/A   | N/A   | The WA DOR issues binding written guidance. The DOR does not publish its Tax Rulings (considered confidential tax information).<br><br>BTA decisions are published to its website. The DOR's Administrative Review and Hearings Division applies certain criteria in deciding whether to publish opinions (e.g., addresses a novel area of law, a novel application of facts, or overrules a previous position). A large majority of such decisions are currently unpublished. | The Legislature has repeatedly passed retroactive legislation that reverses the State's Sup. Ct. decisions. See <i>Dof Foods v. DOR</i> (2016) and <i>In re Estate of Hambleton v. Washington</i> (2014).<br><br>DOR makes changes by issuing advisories without engaging in APA rule-making process for regulations. |
| <b>WV</b> | No. The WV Office of Tax Appeals (OTA) hears appeals of decisions or orders of the Tax Commissioner. WV Code § 11-10A-8. The OTA is a "quasi-judicial" agency. For administrative purposes, the OTA is an agency within the DOR. WV Code § 11-10A-3. OTA has three full time administrative law judges. Tax expertise is required. WV Code §§ 11-10A-6; 11-10A-7.  | Partial. Prepayment or bond is not required for appeal to the OTA. W.Va. Code Sec. 11-10A-18. However, for subsequent appeal of OTA decisions to the intermediate Court of Appeals within 90 days after the petition for appeal is filed, or sooner if ordered by the circuit court, the petitioner shall file with the clerk of the circuit court a cash bond or a corporate surety bond approved by the clerk. WV Code Sec. 11-10A-19.<br><br>Time to appeal: 60 days after service. WV Code § 11-10-8(a).  | Statutes of Limitations: Equal. 3 years for both. Assessment – WV Code § 11-10-15(a).<br>Refund – WV Code § 11-10-14(f)(1).<br><br>Interest rates: Unequal. Prime plus 3% as annually fixed by Tax Commissioner. WV Code § 1-10-17(a)(c).<br>Underpayment – Additional 1.5% over base rate. WV Code § 11-10-17(a).<br>Overpayment – WV Code §§ 11-10-17(a), 11-10-17(d); interest on overpayments runs from date of filing of claim. No interest paid if refund issued within 6 months of claim. | Original: Same as federal – 15th day of 4th month. WV Code § 11-24-13(a).<br><br>Extended: 6 months. WV Code § 11-24-18; 2022 CITI 20 instructions.<br><br>Automatic Extension: Yes. No application is required. 2022 CITI 20 instructions. | - Final determination is defined and is based on exhaustion of all appeals. WV Code §§ 11-21A-1 & 11-24-20.<br><br>- 90 days to report IRS changes. WV Code § 11-24-20.<br><br>- Unclear if scope limited to IRS changes, assessment period is 90 days after filing, with unclear refund period. WV Code § 11-10-15(c).<br><br>- No clear guidance on estimated payments.<br><br>- Generally, comports with the MTC Consensus model for reporting federal partnership adjustments. SB 499 (2019). | WV's Commissioner can issue technical assistance advisories. WV Code § 11-10-5r. The technical assistance advisories are available on the WV State Tax Division's website and are modified or redacted to not disclose the taxpayer's identity. However, only 4 have been published since 2006: 1 in 2010, 2011, 2013, and 2019, respectively.<br><br>Office of Tax Appeals decisions (redacted) are available on the OTA website.   | West Virginia taxes GILTI without any foreign factor apportionment guidance.<br><br>State's mobile workforce provisions are substantially similar to the COST model language. H.B. 2026 (Laws 2021) (earns a point reduction)   |



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|-------|---|---|--|---|---|--|--|
| WI    | Yes. The Wisconsin Tax Appeals Commission (TAC) hears appeals of the DOR's decisions on redetermination of assessments and claims for refund. Tax experience is required. WSA §§ 71.88, 73.01, 15.105.  | Prepayment or bond is not required at the Tax Appeals Commission (TAC). WSA § 73.01(5)(a). Appeals from the TAC, which may order a stay of enforcement of the TAC's decision at its discretion. WSA § 227.52.<br><br>Time to appeal: 60 days after receipt. WSA § 71.88(1).   | Statutes of Limitations: Equal. 4 years for both. Assessment – WSA § 71.77(2). Refund – WSA § 71.75(2).<br><br>Interest rates: Unequal. Underpayment – 12% per year. Wis. Stat. Ann. § 71.82(1)(a). Overpayment – 3% per year. No interest on refunds paid within 90 days of the later of the due date or return filing date. WSA § 71.82(1)(b).                 | Original: On or before the date on which the corporation is required to file for federal income tax purposes. WSA §§ 71.24(1), 1.44(1)(a).<br><br>Extended: Later of 7 months or original due date of federal return. Any federal extension extends the time for filing to 30 days after the federal due date if the extension is reported to the Dept. on the return. WSA §§ 71.24(7), 71.44(3).<br><br>Automatic Extension: Yes. No separate Wisconsin extension is required. 2022 Form 4 Instructions. | - Final determination is defined and is based on exhaustion of all appeals. WAC Tax § 2.105(4)(a)1.<br><br>- 180 days to report IRS changes. WSA § 71.76.<br><br>- Scope limited to IRS changes with 90-day assessment/refund period. WAC § 2.105 (3)(b) & WSA §§ 71.76 & 77.77(7)(b).<br><br>- No clear estimated payment guidance. WSA § 71.90.<br><br>- Generally, compares with the MTC Consensus Model for reporting federal partnership adjustments. WSA § 71.76. | DOR publishes redacted Private Letter Rulings in the Wisconsin Tax Bulletin.<br><br>Wisconsin Tax Appeals Commission decisions are published online.   | State imposes a non-uniform threshold for when an employer of a nonresident employee is subject to withholding for personal income tax. WSA § 71.64(6); Dept. of Rev., Pub. W-166 (Oct. 2023). |
| WY    | Yes. The Wyoming State Board of Equalization (SBE) consists of three members appointed by the Governor and hears appeals of final decisions of the DOR. The Board may contract with an attorney licensed in the State to perform the functions of a presiding officer, pro-vided the attorney is knowledgeable of and qualified in the particular areas of taxation which are the subject of the appeal. WY Stat. §§ 39-11-102.1, 9-11-109. | Partial. Prepayment or bond is not required for an appeal to the Board of Equalization. However, taxpayers must prepay or obtain a stay order to appeal to the District Court. Rules, Wyoming Board of Equalization, Ch. 2, Sections 5 and 35.<br><br>Time to appeal: 30 days from the date of the final administrative decision at issue or of the date of mailing of the final administrative decision as evidenced by postmark, whichever is later. SBE Rules, Chapter 2, Sec 5 (e). | Statutes of Limitations: Equal: 3 years for both. Assessment – WY Stat. § 39-15-110(b). Refund – WY Stat. § 39-15-110(a).<br><br>Interest rates: Unequal. Underpayment – Average prime rate plus 4%. WY Stat. § 39-15-108(b). Overpayment – Average prime rate, only on escrow for taxes paid under protest on appeal. See generally WY Stat. § 39-11-109(f)(i). | N/A   | N/A   | The Department does not publish any private letter rulings issued to taxpayers. The Department is bound to confidentiality by statute.<br><br>The Wyoming State Board of Equalization publishes written opinions to its website. |  |