

**2026 SALT in a Digital World Workshop**  
**Burlingame (SF), CA**  
**March 2-4, 2026**

(1/13/26) DRAFT

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**Monday, March 2, 2026**

12:00 p.m. – 6:15 p.m.	<b>Registration</b>
1:00 – 1:15 p.m.	<b>Welcome and Introductions</b> Fred Nicely, COST Pat Reynolds, COST
	<b>Half Day AI Specific Sessions for SALT Professionals (IT IS SUGGESTED THAT YOU BRING YOUR COMPUTING DEVICE WITH MICROSOFT COPILOT INSTALLED)</b>
1:15 – 2:15	<b>Part 1 - AI Fundamentals – Introduction</b> This opening hour introduces the core concepts of AI—what it is, the major platforms shaping the landscape, and the practical ways professionals can incorporate AI into their work. The session also explores effective prompting techniques, the different AI platforms, privacy considerations, and the ethical dimensions of using AI in a professional environment.
2:15 -3:15	<b>Part 2 - Examples of AI Usage – Focus on Things AI can do</b> The workshop shifts into the first set of practical demonstrations, focusing on what AI tools—can accomplish today for the SALT professional. Attendees will see how AI can locate emails or past discussions, summarize or compare documents, generate meeting summaries and action items, draft and edit written communications, and even create PowerPoint presentations. This session highlights the everyday efficiencies AI can unlock across common workflows.
3:15 -3:30	<b>Break</b>

3:30 – 4:30	<p><b>Part 3 - Examples – SALT specific examples of using AI to merge multiple sources of information to address a tax issue</b></p> <p>A deeper dive into state and local tax (SALT) use of AI with specific applications. This segment will illustrate how AI can synthesize multiple sources of information to support tax analysis and compliance. Demonstrations include drafting quarterly SALT updates, comparing versions of legislative proposals, applying basic Excel AI features, reviewing appeal arguments, and exploring embedded AI research tools such as Bloomberg AI and Checkpoint CoCounsel. The focus is on showing how AI can elevate technical tax work by accelerating research, improving accuracy, and enhancing strategic insight.</p>
4:30 – 5:30	<p><b>Part 4 - Create a basic Agent with Microsoft CoPilot Studio</b></p> <p>The conversation moves into the emerging world of agentic AI. Participants will learn how to create a basic agent using Copilot Studio and explore potential use cases for automated, task-driven AI systems.</p>
5:30– 6:30 p.m.	<p><b>Welcome Reception</b></p> <p>Take this opportunity to start your tax networking with friends and colleagues in a casual atmosphere. Compare notes on today's presentations.</p>

### Tuesday, March 3, 2026

7:30 a.m. – 5:20 p.m.	<b>Registration</b>
7:30 – 8:00 a.m.	<b>Continental Breakfast / Networking</b>
8:00 – 9:00 a.m.	<p><b>Litigating the Digital Frontier: State Tax Cases Driving Change</b></p> <p>As the digital economy accelerates, state tax systems are under pressure to adapt—and the courtroom has become a key battleground. This session explores significant state tax litigation and regulatory actions impacting digital platforms, online marketplaces, social media advertising, and emerging technologies. This session will discuss cases challenging nexus standards, sourcing rules for digital services, and the constitutionality of taxes on data and digital advertising.</p>
9:00 – 10:00 a.m.	<p><b>Global Income Meets State Tax: Navigating GILTI and NCTI</b></p> <p>Federal tax provisions like Global Intangible Low-Taxed Income (GILTI) under IRC §951A and Net CFC Tested Income (NCTI) have created significant complexity for state corporate income tax reporting. While these rules were designed for international tax compliance, states have taken divergent approaches—some fully conform, others partially include or exclude these amounts, and many apply unique modifications that impact apportionment and tax base calculations.</p>
10:00 – 10:15 a.m.	<b>Refreshment Break/Networking</b>
10:15 – 11:15 a.m.	<b>Choice of Two Breakouts</b>
	<p><b>Transfer Pricing in the Digital Age: State Tax Challenges</b></p> <p>As technology companies and digital advertising platforms expand globally, state tax authorities are aggressively scrutinizing intercompany transactions and intercompany pricing. This session explores the unique transfer pricing issues arising in the digital economy—from valuing intangible assets such as algorithms and user data to allocating revenue from targeted advertising and cloud services. We'll examine recent state audits, litigation trends, and the interplay between federal and state approaches, including how states apply arm's-length principles.</p>
	<p><b>Credits and Incentives in the Digital Economy: Driving Innovation and Managing Risk</b></p> <p>As technology and digital platforms dominate modern commerce, states are increasingly using tax credits and incentives to attract investment, foster innovation, and support emerging industries. This session examines how these programs apply in the tech and digital space, including R&amp;D credits, data center incentives, and digital infrastructure grants. This session will explore compliance challenges, documentation requirements, and the interplay between state and federal programs.</p>
11:25 a.m. – 12:25 p.m.	<b>Choice of Two Breakouts</b>
	<b>Multiple Points of Use: Getting Sourcing, Documentation, and Compliance Right</b>

	<p>In today's distributed, digital workflows, a single purchase—software licenses, SaaS subscriptions, data services, or cloud capacity—can be used simultaneously across multiple jurisdictions. That creates complex sales and use tax questions: where is the transaction sourced, when can tax be apportioned, and what evidence is required to support MPU treatment? This session demystifies Multiple Points of Use rules and practices, walking through when MPU applies, how it interacts with marketplace facilitator laws and sourcing rules for services and intangibles, and how companies can leverage tools like direct pay permits, exemption/MPU certificates, and contract language to mitigate risk.</p>
	<p><b>Single Sales Factor: Simplicity or Distortion? The Fair Apportionment Debate</b>  The shift to a single sales factor apportionment method has been one of the most significant changes in state corporate income tax policy over the past two decades. While proponents argue it promotes in-state investment and job creation, critics question whether it meets constitutional standards of fair apportionment under the Commerce Clause and Due Process Clause. This session examines the evolution of single sales factor, its impact on multistate businesses, and the controversies surrounding distortion, internal and external consistency, and alternative apportionment petitions.</p>
12:25 – 1:30 p.m.	<b>Lunch – Networking</b>
1:30 - 2:30 p.m.	<b>Choice of Two Breakouts</b>
	<p><b>State Tax Spotlight: Washington and Maryland's Digital Tax Overhaul</b>  Two states are leading the charge in redefining how digital transactions are taxed—and the ripple effects will be felt nationwide. This session explores Washington's expansion of sales tax to a wide range of digital and professional services, including IT consulting, custom software, advertising, digital media, and staffing services. This session will also examine Maryland's new 3% sales tax on digital and IT-related services, covering data processing, hosting, SaaS, and other technology-driven offerings.</p>
	<p><b>The Evolution of Market-Based Sourcing: Navigating the Complexity</b>  Market-based sourcing has transformed how states apportion corporate income, shifting the focus from where services are performed to where customers receive the benefit. This session explores the evolution of these rules, from early adoption to today's nuanced frameworks, and examines the challenges posed by technology-driven business models. It will address key issues such as defining the "market" in a digital economy, handling multi-location transactions, and reconciling inconsistent state approaches.</p>
2:35 – 3:35 p.m.	<b>Choice of Two Breakouts</b>
	<p><b>What Is 'Tangible' in a Digital World? Rethinking the Definition of Tangible Personal Property</b>  As the economy shifts from physical products to digital delivery, the century-old concept of tangible personal property (TPP) is being stretched to cover software, digital codes, electronic content, and cloud-based services. This session demystifies how states define and tax "tangible" for both income and sales tax purposes when the transaction is bits, not boxes—examining core tests, statutory expansions to include "digital goods," and evolving treatment of software and access to data/analytics platforms. This session will discuss where states draw the line between taxable TPP and nontaxable services/intangibles.</p>
	<p><b>Is Data the New Texas Tea? Applying Severance Tax Concepts to the Digital Economy</b>  As data becomes the lifeblood of the modern economy, states are exploring bold new ways to capture revenue from its extraction and monetization. Inspired by traditional severance taxes on natural resources, some state policymakers are proposing similar frameworks for data—treating its collection, processing, and commercialization as taxable events. This session examines the emerging movement to apply severance tax concepts to digital assets, including proposals targeting social media platforms, data brokers, and companies leveraging consumer information for advertising and analytics.</p>
3:35 – 3:50 p.m.	Refreshment Break / Networking
3:50 – 5:20 p.m.	<p><b>From Audit Notice to Courtroom: Managing the Lifecycle of a State Tax Audit</b>  State tax audits can be unpredictable, resource-intensive, and high-stakes—especially when they escalate to litigation. This session walks through the entire audit lifecycle, from the initial notice and information requests to negotiation, settlement, and potential courtroom battles. The session will</p>

	provide practical insights into risk mitigation, communication strategies and procedural steps geared to achieve a smooth resolution.
5:20 – 6:30 p.m.	<b>Reception</b> All attendees are welcome to attend a closing reception to network with other attendees and sponsors and speakers. Please take advantage of this opportunity to round out your Workshop experience.
<b>Wednesday, March 4, 2026</b>	
7:30 a.m. – 5:20 p.m.	<b>Registration</b>
7:30 – 8:00 a.m.	<b>Continental Breakfast / Networking</b>
8:00 – 9:00 a.m.	<b>Ethics in a Digital World – New Frontiers</b> As technology reshapes the way businesses operate and tax professionals interact with data, ethical challenges are evolving at lightning speed. From safeguarding client information in cloud-based systems to addressing AI-driven decision-making and digital audit tools, the digital era demands a renewed focus on professional responsibility. This session explores emerging ethical issues, including confidentiality in virtual environments, cybersecurity obligations, and the implications of automation on judgment and independence.
9:00 – 10:00 a.m.	<b>Taxation of the Digital Economy: The Challenges of Expanding the Tax Base</b> The digital economy is transforming state tax systems as legislatures attempt to broaden tax bases to capture revenue from technology-driven transactions. From streaming services and cloud computing to digital advertising, social media platforms, and online marketplaces, states are redefining what's taxable. This session will explore both the constitutional considerations arising from these proposals, as well as how initiatives like SSUTA and MTC aim to bring uniformity to this dynamic landscape.
10:00 - 10:20 a.m.	Refreshment Break / Networking
10:20 – 11:45 a.m.	<b>Ask The Experts</b> Really? Free advice from practitioners? That's right! This is your chance to question practitioners and get their views on state and local tax issues related to your technology operations and issues. The panel will answer questions that have been submitted by attendees as well as discussions they've had with attendees during the Workshop that would be of interest to other attendees. Finally, the panel will address trends they expect to see in 2026 and beyond, as they apply to the technology industry as well as the use and impact of technology in general.
11:45 a.m.	<b>Workshop Adjourns</b>

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