



6/12/2026

# 57<sup>th</sup> Annual Meeting

September 22 – 25, 2026

San Antonio, Texas

## Preliminary Agenda

Please note that all attendees are welcome to attend any session except for the Audit Sessions. Those sessions, as always, are open to only COST industry members.

TUESDAY, SEPTEMBER 22 <sup>nd</sup>			
12:00 – 7:00	<b>Registration</b>		
3:00 – 5:00	<b>Legislative/Government Relations Meeting</b> We invite you to participate in a robust discussion of significant 50-state business tax legislation, issues that emerged during the last legislative cycle, and what to anticipate for the upcoming legislative sessions. This session will provide pertinent insights on states’ attempts to deal with the shifting political and fiscal landscapes of HR 1, trade policies, and tax base changes, and how those could impact state and local revenues. This is a great session for those interested in state tax policy and legislation. COST’s advocacy staff and chairs of COST’s Legislative and Policy Committees will also highlight COST’s advocacy, policy, and other resources available to COST members and partners.		
5:30 – 6:45	<b>Welcome Reception</b>		
WEDNESDAY, SEPTEMBER 23 <sup>rd</sup>			
7:00 – 5:10	<b>Registration</b>		
7:00 – 8:30	<b>Board of Directors Meeting (Only COST Board and Staff)</b>		
7:30 – 8:30	<b>Continental Breakfast &amp; Networking</b>		
8:40 – 9:00	<b>Welcome &amp; Opening Remarks -</b> <b>COST’s 57<sup>th</sup> Annual Meeting of the Membership: Election of New Directors</b> <b>Announcement of the 2026 COST Paul Frankel Award of Excellence in State Taxation</b>		
9:00 – 10:00	<b>2026 In Review: Key Developments and the Road Ahead</b> The speakers in this opening session will discuss the most consequential SALT developments from the past year, highlighting legislative, regulatory, and enforcement trends as well as court decisions that most impacted taxpayers. Speakers will also look ahead to what the coming year may bring, including anticipated policy shifts, emerging risk areas, and planning considerations to watch. The session sets the stage for the Conference by connecting recent history to future expectations in the ever-changing SALT landscape and will address the states’ budget outlooks.		
10:00 – 10:10	<b>Refreshment Break &amp; Networking</b>		
10:10 – 11:05	<b>Audit-Tron: AI Meets SALT and the States Strike Back</b> As state and local tax authorities increasingly leverage AI to identify audit targets and refine assessments, traditional audit strategies must evolve just as quickly. This session explores practical approaches to defending assessments in an AI-driven landscape—combining data	<b>Unitary or U Not (tary) - A Review of Competing State Definitions That May Impact Your Filing Status</b> While the U.S. Supreme Court has provided key criteria, states still define who may or may not be included in a unitary group differently. Taxpayers may not necessarily rely on last year’s composition and should instead develop	<b>“Where in the World” Are Your Receipts? (For Transactional Tax Purposes) - A SALT Sourcing Mystery Tour</b> Determining the proper sourcing of receipts for state and local transactional taxes can feel like solving a complex puzzle with high stakes. This session breaks down the key rules and nuances across jurisdictions, using practical examples to

	analytics, transparent documentation, and human judgment. Attendees will gain actionable insights on how to anticipate AI-informed audit tactics and position their organizations for smarter, more resilient outcomes.	review workplan. Learn some interesting differences between the states and what to be aware of during the year that may impact your unitary group composition.	illustrate how sourcing decisions impact tax obligations. Attendees will walk away with clearer frameworks and strategies for navigating sourcing challenges with confidence (and fewer headaches).
11:10 – 12:05	<p><b>States’ Shift Toward Taxation of Foreign Source Income</b></p> <p>This session explores the growing movement by states to tax additional foreign source income through mandatory worldwide unitary taxation and/or expanding the tax base to include foreign income via GILTI/NCTI. The panel will discuss recent legislative, regulatory, and judicial developments and the implications for multinational businesses and global structuring. The panel will also address compliance challenges and the potential risks associated with evolving state approaches to taxing foreign sourced income.</p>	<p><b>Clicks, Code, and Cash: The States Take on Social Media and Digital Ads</b></p> <p>States are increasingly exploring ways to tax social media platforms and digital advertising, raising complex questions around nexus, sourcing, and federal law and constitutional limits. This session unpacks the latest legislative efforts and legal challenges shaping this evolving area of tax policy and the challenges it imposes on taxpayers subject to these taxes. Through real-world examples, attendees will gain insight into the risks, controversies, and potential future direction of social media and digital ad taxes at the state and local levels.</p>	
12:05 – 1:15	Lunch & Networking <b>Announcement of COST Directors &amp; Officers for 2026/2027</b>		
1:15 – 2:10	<p><b>Report from the Front Lines: Northeast States Chamber Roundtable Discussion on Business Taxes – 2026 Recap &amp; 2027 Predictions</b></p> <p>Tax policy professionals from key state business associations will prognosticate significant tax policy issues in the northeast states’ upcoming legislative sessions, viewed through the prism of this year’s accomplishments and setbacks.</p> <p>States Covered: Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont.</p>	<p><b>Hands Off Our Tax Base: When Federal Overreach Crosses the Line</b></p> <p>This engaging session dives into the growing tension between state taxing authority and federal intervention, exploring when cooperation turns into unconstitutional overreach. Through real-world examples and legal insights, attendees will examine how unlawful delegation to federal authorities can undermine state sovereignty—and what can be done to push back.</p>	<p><b>“Prompt and Circumstance”: Cracking the Code to Talking with AI (Without Losing Your Tax Mind)</b></p> <p>Great AI outputs start with great prompts (what to ask)—but what does that actually look like in practice? This session dives into real-world tax scenarios and demos, step by step, how different prompts can dramatically change the quality and usefulness of AI responses. Through engaging examples (and a few entertaining missteps), attendees will learn how to craft prompts that get clearer, smarter, and more actionable results from AI tools.</p>
2:15 – 3:10	<p><b>Report from the Front Lines: Western States Chamber Roundtable Discussion on Business Taxes – 2026 Recap &amp; 2027 Predictions</b></p> <p>Tax policy professionals from key state business associations will prognosticate on significant tax policy issues in the western states’ upcoming legislative sessions, viewed through the prism of this year’s accomplishments and setbacks.</p> <p>States Covered: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington &amp; Wyoming.</p>	<p><b>New Approaches to Apportionment Methods in the Big Data Era</b></p> <p>For purposes of computing the sales-factor numerator, states have increasingly moved away from traditional cost-of-performance in favor of market sourcing. But many market-sourcing statutes and regulations are vague and official guidance is still evolving. This session will show how taxpayers can use this as a potential opportunity. In particular, the speakers will cover how big data methods can be used to identify the ultimate destination and where the benefit is received will be provided from actual case studies and using</p>	<p><b>State Efforts to Broaden the Sales Tax Base: Legislative Trends and Administrative Actions</b></p> <p>In recent years, states have increasingly turned to expanding their sales tax base to address budget shortfalls to raise revenue and shift away from income and property taxes. This session will examine new legislation aimed at broadening the base to include additional services and transactions, as well as administrative efforts to apply existing laws to historically exempt activities. Panelists will highlight examples of state taxing authorities’ attempts to stretch statutory frameworks, the compliance challenges this creates, and the potential for litigation.</p>

“dashboards” to help convince auditors to accept alternative approaches to apportionment.

3:10 – 3:20	<b>Refreshment Break &amp; Networking</b>		
3:20 – 4:30	<b>Audit Session – ALL TAX TYPES (COST Industry Members Only)</b> COST audit session during which participants share recent audit and litigation experiences involving all types of state and local taxes.  (States covered in this session: Alabama, Arkansas, Florida, Georgia, Louisiana, Maryland, Mississippi, Oklahoma, Pennsylvania, South Carolina and Virginia)		
4:45 – 5:30	<b>Pre - Reception – COST’s Young Professionals Group</b>		
5:30 – 6:30	<b>Reception</b>		
6:45	<b>Group Dinner</b> –Everyone is invited to join other COST members for dinner at TBD!!!! Don't miss this opportunity to mingle with fellow tax professionals and expand your professional network! Please contact Judy Slotnik ( <a href="mailto:jslotnik@cost.org">jslotnik@cost.org</a> ) prior to the meeting or stop by the Registration Desk to let us know you will be there! (Folks will pay their own way.)		
<b>THURSDAY, SEPTEMBER 24<sup>th</sup></b>			
6:30 – 5:15	<b>Registration</b>		
6:15 – 7:00	<b>Early Morning Walk with Judy Slotnik (COST’s Membership Coordinator) and Other Early Risers</b> – Get your day off to a great start sharing an early morning stroll with other attendees. The group will leave from the hotel lobby at 6:15 a.m.		
6:45 – 8:00	<b>Breakfast &amp; Networking</b>		
7:00 – 8:00	<b>Early Morning Ethics Coffee Talk - Ethical &amp; Professional Challenges Facing State Tax Professionals</b> Rise and shine and enjoy an entertaining, informative hour on the latest ethics developments relevant to state tax professionals, including the use of AI. This presentation will serve as your “wake up” for Thursday morning. However, there’s much more to this session than getting an hour of Ethics CPE/CLE. Tax professionals and government affairs professionals must navigate a host of ethical issues daily. The speakers will discuss how to spot ethical issues and deal with them in a thoughtful and effective manner. <b>(PLEASE NOTE – THERE WILL BE A SEPARATE REGISTRATION SIGN IN SHEET FOR THIS SESSION AND ATTENDEES MUST ARRIVE AND SIGN IN BY 7:00 AM TO OBTAIN CPE/CLE.)</b>		
8:05 – 9:00	<b>Credits &amp; Incentives – What Does the Future Hold for Them?</b> This session will cover the states’ tax credit and incentive programs and efforts by some states to expand or restrict them (e.g., data centers, etc.). After attending this session, attendees will have better insight of what’s in store for these credits and incentives.	<b>Partnerships: Federal and State Audits and Amendments - How Changes Impact a Corporate Partner</b> The MTC currently has a partnership project examining how income and apportionment factors should flow from a partnership to its corporate partners. The session will point out the key provisions that different states use to require reporting and payments, providing the ability to identify common opportunities and pitfalls that can occur in entity structures with corporate partners.	<b>Property Tax Plot Twists: 2026’s Biggest Hits and 2027’s Sequel</b> From shifting valuation methodologies to increased audit activity and evolving legislative trends primarily focused on residential property tax relief, 2026 has been a dynamic year for property tax. This session will highlight the most significant developments shaping the landscape today and unpack what they could signal for 2027. Will any state actually eliminate its real property tax? All these issues will be covered in this session.
9:05 – 10:00	<b>Swapping and Trading Taxes Is All the Rage: What’s at Stake Legislatively and How Will It Impact Business Tax Burdens?</b> The session will provide an in-depth look at current tax legislative proposals to eliminate one of the major tax types, primarily property	<b>Dividing the Pie: Apportionment Challenges from <i>Smithfield, Florida v. California</i>, and Others</b> Corporate income tax apportionment continues to be one of the most contested areas in state taxation, with recent developments— including the implications of the <i>Smithfield</i> case—reshaping how	<b>ITFA Under Siege—and Why It Matters</b> This session will focus on and examine how states are increasingly attempting to circumvent the federal Internet Tax Freedom Act by using bundling provisions, telecom legacy statutes, gross receipts

Commented [MW1]: We will revise the states to be covered.

	and income. The proposals are often funded by expanding the base of the sales tax to additional goods and services. The panel will discuss the motivation for these efforts, the impacts on businesses in the state, the changes they pass, and advocacy challenges to these proposals.	states and taxpayers approach the division of income. This session explores the emerging issues from single-sales factor apportionment, market-based sourcing, distortion claims, and the increasing willingness of states to challenge traditional formulas. Attendees will gain insight into how to better defend their apportionment positions in a changing landscape.	taxes, and other means to mask/obscure ITFA conflicts.
10:00 - 10:10	<b>Refreshment Break &amp; Networking</b>		
10:10 – 11:05	<b>A State Tax Perspective on ASC 740 and ASC 450</b> The speakers in this session will provide updates on everything from provision process, uncertain tax positions, remediation strategies, update of quarterly provision; intercompany transactions; rapidly developing state administrative practices; and consideration of audit posture. ASC 450, ASC 450, and other financial accounting issues will be covered in this session.	<b>From Torts to Taxes: When Non-Tax Cases Could Crash the State Tax Party</b> Can a ruling from a non-tax case reshape the outcome of a state tax dispute? This lively session explores how courts borrow reasoning from outside the tax world—and when those borrowing helps, hurts, or completely derails tax analysis. Attendees will gain practical insight into spotting useful analogies, avoiding misapplied precedent, and crafting stronger arguments when the non-tax world collides with the tax world.	<b>Revenue Pressures and Enforcement Trends: States’ Expanding Use of Tax Penalties</b> This session examines how states are increasingly leveraging penalties as both an enforcement tool and a meaningful source of revenue. Participants will review recent developments in penalty regimes, audit practices, and discretionary authority, as well as trends in asserting substantial understatement, negligence, and economic substance penalties. The discussion will also highlight strategies for mitigating exposure, managing controversy, and navigating heightened enforcement environments.
11:05 – 12:00	<b>From Addbacks to Tax Havens: The Evolution of State Anti-Avoidance Measures</b> This session briefly reviews the historical development of state addback statutes and tax haven provisions as tools to combat perceived base erosion and income shifting. The speakers will cover the evolution and current state of those policies and how they believe they will develop in the future.	<b>Sales Tax Case Law: Lessons from the Courts</b> Court decisions often reshape how sales tax works in practice — sometimes quietly, sometimes dramatically. This session walks you through the key state and federal cases redefining taxability, nexus, sourcing, exemptions, and digital transactions. We’ll break down the most influential rulings, highlight emerging judicial trends, and translate legal reasoning into practical guidance. You’ll learn how to evaluate risk, adjust tax positions proactively, and anticipate the next wave of litigation that could disrupt longstanding interpretations.	
12:05 – 12:40	<b>Presentation of the Annual COST/ Paul Frankel Excellence in State Taxation Award</b>		
12:40 – 1:40	Lunch & Networking		
1:40 – 2:35	<b>When Tax Administrators Try to Be Legislators</b> This session will explore the myriad ways that state tax administrators are unilaterally stepping into legislators’ shoes by: (1) issuing tax guidance creating legal ambiguities where none previously existed; (2) either issuing guidance or taking audit positions flip-flopping on what taxing authorities previously agreed the law said; and (3) responding to	<b>Economic Substance and Business Purpose Doctrines in State Taxation</b> This session examines the states that apply economic substance and business purpose doctrines to evaluate the legitimacy of tax positions and transactions including a discussion of <i>Liberty Global</i> . Participants will explore key cases, statutory frameworks, and enforcement trends, with a focus on multistate planning, intercompany transactions, and addback regimes. Attendees will	<b>Income Tax Case Law: Lessons from the Courts</b> Important court decisions have reshaped income taxes — sometimes quietly and other times overtly. This session walks you through the key state corporate income tax cases redefining the tax base, nexus, sourcing, etc. By reviewing the influential rulings, highlighting emerging judicial trends, and translating their legal reasoning into practical guidance. Attendees will learn how to evaluate risk, adjust tax positions proactively, and

	ambiguous legislation by attempting to fill in interpretive gaps. Presenters will address potential responses to taxing authorities oversteps, including potential challenges in a post- <i>Loper Bright</i> world related to deference.	gain practical insights into documenting business purposes, and mitigating audit risk in a rapidly evolving state tax landscape.	anticipate the next wave of corporate income tax litigation that will change longstanding interpretations.
2:40 – 3:35	<p><b>Report from the Front Lines: Midwest States Chamber Roundtable Discussion on Business Taxes – 2026 Recap &amp; 2027 Predictions</b> Tax policy professionals from key state business associations will prognosticate on significant tax policy issues in the Midwest states’ upcoming legislative sessions, viewed through the prism of this year’s accomplishments and setbacks. (States Covered: Illinois, Indiana, Iowa, Kentucky, Louisiana, Michigan, Minnesota, Missouri, Ohio, Oklahoma, Texas &amp; Wisconsin)</p>	<p><b>State Conformity Crossroads: Navigating 163(j), 168, 174, 179, and HR1 Developments</b> This session reviews how states are adopting, decoupling from, or modifying key federal provisions, including Sections 163(j), 168, 174, and 179, in light of ongoing conformity debates and HR1-related developments. Attendees will gain insight into the diverse state approaches and their practical implications for deductions, capitalization, and tax planning. The program will also highlight compliance challenges and strategies for managing multistate differences in an evolving conformity landscape.</p>	<p><b>Exemption &amp; Resale Certificate Issues</b> Managing exemptions in the digital/online environment require sellers to have processes to evaluate the validity of certificates, as well as how they will manage collection, storage, and revocation of exemption certificates in remote transactions. Session will include discussion on current issues and best practices to resolve collection and validation of the proper certificates, which states allow other states or other forms of exemption documentation, using SST and MTC certificates for maximum coverage (and avoiding their pitfalls). The session will also address managing exemption certificates particularly for multi-state or drop shipment transactions.</p>
3:35 – 3:45	<b>Refreshment Break &amp; Networking</b>		
3:45 – 5:00	<p><b>Audit Session – ALL TAX TYPES (COST Industry Members-Only)</b> COST audit session during which participants share recent audit and litigation experiences involving all types of state and local taxes.  (States covered in this session: Alaska, Arizona, Colorado, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri Montana, Nebraska, Nevada, New Mexico, North Dakota, Ohio, Oregon, South Dakota, Utah, Washington, Wisconsin &amp; Wyoming)</p>		
5:15 – 7:00	<p><b>Vendor Fair</b> - Come join the fun as various service and product providers host our Annual Meeting Vendor Fair. There will be lots of giveaway’s, food, and activities. And at the end of the Vendor Fair there will be several drawings for some fantastic prizes. But you must stay to the end to win the prize!!! So come join us for a lot of fun!!</p>		
<b>FRIDAY, SEPTEMBER 25<sup>TH</sup></b>			
7:00 – 12:20	<b>Registration</b>		
7:00 – 8:00	<b>Continental Breakfast &amp; Networking</b>		
8:00 – 9:25	<p><b>State Legislators focused on Tax Issues Roundtable</b> This roundtable discussion will feature key state legislators that drive state tax policy to discuss the latest news, developments, and outlook from their legislative perspective. This session will provide insights on what happened in their states during 2026 and what is planned for 2027 and beyond. Moderated by an experienced advisor, this session will provide an opportunity to ask those important questions we all seem to have, either confidentially or face-to-face.</p>		
9:25 – 9:40	<b>Refreshment Break, Networking, and Hotel Check Out</b>		

9:40 – 10:35	<p><b>Report from the Front Lines: Southeast States Chamber Roundtable Discussion on Business Taxes – 2026 Recap &amp; 2027 Predictions</b></p> <p>Tax policy professionals from key state business associations will prognosticate on significant tax policy issues in the southeast states' upcoming legislative sessions, viewed through the prism of this year's accomplishments and setbacks.</p> <p>(States Covered: Alabama, Arkansas, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, West Virginia and Puerto Rico Audits.)</p>	<p><b>Agents of Change: Real-World AI Agents in Action</b></p> <p>Agentic AI is moving beyond theory and into day-to-day tax operations, acting as autonomous assistants that can research, analyze, and even initiate tasks. This session showcases real-world examples of how organizations are deploying AI agents to streamline workflows, enhance decision-making, and improve efficiency across tax functions. Attendees will gain practical insights into where agent AI delivers the most value—and how to begin putting it to work.</p>
10:40 – 12:00	<p><b>Audit Session – ALL TAX TYPES</b> (COST Industry Members Only)</p> <p>COST audit session during which participants share recent audit and litigation experiences involving all types of state and local taxes.</p> <p>(States covered in this session: California, Connecticut, Delaware, District of Columbia, Maine, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Rhode Island, Tennessee, Texas, Vermont, West Virginia)</p>	
12:00	<p><b>Annual Meeting Adjourns</b></p>	

\* Denotes COST Practitioner Connection Subscriber

