



MULTISTATE TAX COMMISSION

Charter for the MTC National Nexus Program and Nexus Committee

Introduction

The National Nexus Program is a program of the Multistate Tax Commission (MTC) created by and composed of member states. The Nexus Committee was formed under Article VI.2 of the Multistate Tax Compact and bylaw 6(b) to oversee the National Nexus Program.

Responsibilities

The National Nexus Program was created to encourage and facilitate compliance with nexus laws by those engaged in interstate commerce; cooperation among states regarding development and enforcement of nexus law; education of taxpayers and state staff about nexus; and fair and consistent enforcement of nexus law.

The MTC has charged the Nexus Committee with the responsibility to administer the National Nexus Program. The committee oversees the MTC National Nexus Program; considers potential nexus audits to be recommended to the Audit Committee; and provides direction to the MTC National Nexus Program on state policy regarding nexus. The committee will establish priorities and goals for approval or further direction from the Executive Committee.

Membership and Voting

Each state that participates in the MTC National Nexus Program is represented on the MTC Nexus Committee. A state may have multiple employees who participate in meetings; however, in any matter requiring a vote, each state will be entitled to only one vote. Committee members who participate in training or informational sessions or in any session in which confidential taxpayer information may be discussed must be authorized by their state to disclose and receive such information.

A quorum is established by the number of National Nexus Program member states that are present at any meeting. Official committee decisions are made by motion, with no need for a second. Motions may be offered by any member, with or without an invitation of the Chair. Member states may vote yes, no, or abstain. A motion passes when a majority of member states present vote in favor of the motion. For example, assume 15 member states are present and eligible to vote. A vote of 8 yes, 3 abstain, and 4 no means the motion passes. A vote of 7 yes, 4 abstain, and 4 no means the motion does not pass. No voting by proxy is allowed.

The chair has the option to limit which member states may vote on a motion when it affects some member states and not others.

Except where inconsistent with the provisions of the Compact or the MTC bylaws and Public Participation Policy, *Mason's Manual of Legislative Procedure* is the parliamentary authority for all meetings of the committee.

Committee Activities

The committee meets at the call of the chair, generally at least three times per year, and meetings are conducted in a manner consistent with the MTC's bylaws and Public Participation Policy. The committee's primary responsibilities are:

- Administering a multi-state voluntary disclosure program in which non-filers may, through a confidential and substantially uniform process, and single point of contact, limit back-tax and penalty liability
- Sponsoring educational programs and presentations regarding nexus law and the availability of multi-state voluntary disclosure
- Providing a public forum for comment on nexus law and the National Nexus Program

Governance

Consistent with bylaws 13(b)(4), (c)(1) and (3), and (d), the Nexus Committee may elect, or the MTC's Executive Committee may appoint, employees from National Nexus Program member states to serve as chair and vice chair. Analogous to bylaws 3(c) and (e), the vice chair will become chair of the committee until a new chair is selected if the office of the chair becomes vacant for any reason and will serve as chair whenever the chair is unable to perform the chair's duties.

The chair and vice chair will assist MTC staff in planning and carrying out the activities and functions of the Nexus Committee and may also appoint members to assist or serve in such other functions as necessary to carry out its responsibilities or activities.

Amendments

The committee will review this charter every year during the annual meetings of the MTC and may adopt policies consistent with this charter to guide the performance of its duties and responsibilities. The committee may, with the approval of the Executive Committee, amend this charter. See Article VI, paragraph 2(b) and (c), of the Compact, and bylaw 6(b).

Approved by the Executive Committee July 27, 2023.