



MULTISTATE TAX COMMISSION

MTC Uniformity Handbook

**Prepared by MTC Staff
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Introduction – Purpose & Approach

This handbook is a resource for state participants and MTC staff who work on uniformity projects through the Multistate Tax Commission (MTC). It is organized as follows:

- **Section A** – Provides a general overview of the MTC’s uniformity work.
- **Section B** – Describes the uniformity process using a question-and-answer approach.
- **Section C** – Contains an appendix with excerpts of authorities governing the process.

Note – Authorities Governing Uniformity

The MTC uniformity work generally proceeds according to a framework of rules from the following authorities (see Section C), listed in order of priority here:

- Multistate Tax Compact (Compact)
- Commission Bylaws (Bylaws)
- Public Participation Policy (PPP)
- Uniformity Committee Charter (Charter)
- Commission or Executive Committee Directives
- Mason’s Manual (Mason’s)

In addition, this handbook may cite to certain past practices.

Note – Uniformity Information on the MTC Website

The MTC website, here – [MTC Website](#) – contains information on the current Uniformity Committee projects and the adopted recommendations as well as other related information. The project web pages are used to publish and archive project-related materials. The current uniformity drop-down menu tab, shown below, provides the links to that information.

The screenshot shows the top portion of the MTC website. On the left is the MTC logo with the text "MULTISTATE TAX COMMISSION". To the right is a search bar with a "Search" button. Below the logo and search bar is a navigation bar with the following items: "The Commission", "Uniformity", "Nexus", "Audit", "Events & Training", and "Resources". Below the navigation bar is a dark blue menu with four columns of links: "About Uniformity", "Adopted Uniformity Recommendations", "Article IV- UDITPA", "Uniformity Process", "Amicus Briefs", "Uniformity Projects", "Uniformity Developments", "Uniformity Charter", and "Standing Subcommittee".

Section A. Overview – Role of Uniformity

This section provides a brief, high-level overview of the MTC’s past uniformity work.

1. Uniformity Contributes to the Purposes of the Compact.

The MTC’s uniformity work contributes to the purposes of the Multistate Tax Compact set out in Art. I (see Section C – Appendix). Uniformity helps to address the significant components of state tax systems that have effects on multistate taxpayers—including:

- facilitating taxpayer convenience and compliance,
- promoting equitable apportionment of tax bases,
- assisting with the settlement of apportionment disputes, and
- avoiding duplicative taxation.

2. Uniformity Creates Synergies with Other MTC Programs and Activities.

The Commission’s joint-state audit, nexus, training, and litigation-support programs each provide input that helps support the MTC’s uniformity work by identifying important issues affecting state taxation. In turn, the uniformity work of the MTC states helps to inform these other joint-state programs by providing information and analysis and identifying the factual basis for certain state tax rules and positions.

3. Uniformity Fosters Engagement with Other Groups

Over the years, the MTC Uniformity Committee has worked closely with many other groups including the Federation of Tax Administrators (FTA), Streamlined, the AICPA and ABA state tax sections, the Council On State Taxation (COST), the National Council of State Legislators (NCSL), the National Governor’s Association (NGA), and the Center on Budget and Policy Priorities (CBPP), among others. The MTC’s uniformity work has also provided the basis for interacting with state legislatures and Congress on important multistate issues. (Indeed, it was pressure from federal lawmakers brought to bear on the states in the 1960’s that led to the formation of the MTC and to its uniformity work.)

4. Uniformity Tackles Some of the Most Challenging Issues

As noted above, the MTC states focus on uniformity in tax matters affecting multistate taxpayers—particularly income and sales taxes. In addition to drafting tax models, the MTC Uniformity Committee may also study tax issues as provided in Compact Art. VI.2.(b):

“The Commission [and its bodies] . . . may consider any matter of concern to the Commission, including problems of special interest to any party State and problems dealing with particular types of taxes.”

Historically, the issues that have featured prominently as part of the MTC’s uniformity work are ones that have been especially challenging to states, including:

- Sourcing and apportionment of multistate income and sales
- Combined filing of corporate income taxes
- Multistate partnership taxation and administration
- Nexus and jurisdiction over businesses and taxpayers
- Critical administrative matters affecting multistate businesses

See the results of some of the MTC’s uniformity projects here: [MTC Adopted Uniformity Recommendations](#).

5. Uniformity Projects may Differ in Terms of Their Aims and Results

Uniformity projects may differ in the types of issues and problems that they address and in the types of results they produce. In general, the projects, or certain issues within those projects, will fall into two groups:

Uniform or Model Rules

Some projects may begin with a specific aim to produce a uniform or model state tax rule or to update or revise prior rules where the issue to be addressed is fairly clear. These projects will produce the actual text of proposed models along with other information that may be useful for states considering the issues addressed.

Research or White Papers

Other projects may involve significant research or study of emerging or complex tax issues and may produce white papers or other information for use by state policy-makers when addressing the issues—providing options for states to consider and the pros and cons of particular approaches.

In addition, as noted above, uniformity work is often coordinated with other activities of the MTC including training, or with the activities of other groups. Especially with projects involving emerging or complex issues, there is a strong educational and informational component to many of the uniformity projects.

6. Uniformity Work – Public Process

States can share information in a number of ways, including through the MTC and its joint-state information sharing and training sessions. But the Uniformity Committee offers a unique forum in which to do this kind of information sharing and discussion. The process used for uniformity projects involves public discussions. So taxpayers and practitioners can also provide input and comments. And, in addition, the projects are often followed by the press and are reported on, along with commentary from various sources.

Working with other organizations and the public can add to the development of better tax recommendations. See, for example, the MTC's *Wayfair* Implementation White Paper and the Partnership RAR model in which public participation was key. But this public process can also raise certain challenges. The rules described in this handbook are, in part, meant to address these challenges. They are not meant to replace informal consensus-building, or other discussions on issues that impact states and are related to the uniformity work.

The public-facing aspect of the MTC's uniformity work, in addition to providing necessary input on the uniformity projects, also helps states in other ways. Public input on issues or responses to proposals help gauge the extent to which the issue is important to taxpayers and practitioners for various reasons. It may also identify arguments concerning issues that states will need to address. In addition, public reporting on the projects can help to inform policy-makers about the problems in the tax system and why those problems are particularly important. It may also give those policy-makers better information on the nature of the solutions that states may have identified to address those problems.

Section B. General Uniformity Process

This section describes important steps in the MTC uniformity process.

Important Note:

The process described here may vary somewhat depending on the project. What's important to note is that it involves multiple steps prior to the Commission's adoption of any recommendation. This leads to a thorough vetting of these recommendations. And this MTC process is in addition to the processes that states may use in adopting or implementing these recommendations.

1. Can any state participate in the Uniformity Committee and work groups?

Yes. The representatives from any Compact, Sovereignty, or Associate (including Program) member states may participate in the committee's business and may chair subcommittees and work groups. See Bylaw 13 and the Uniformity Committee Charter – Membership & Voting. However, only Compact and Sovereignty member state participants may hold the Chair or Vice Chair roles on the Uniformity Committee. See Bylaw 13(c)(1).

2. What work does the Uniformity Committee do?

The work of the committee may include:

Hearing Reports and Presentations on Issues of Relevance

The committee may hear reports or presentations relevant to its current or past work. These educational or information-sharing items may be informal (e.g., state roundtables or MTC staff reports) or may include representatives of groups with an interest in the work of the committee.

Hearing Status Reports from Work Groups or Subcommittees

The committee will generally hear status reports from work groups and subcommittees tasked with projects and will give any direction or feedback on the issues being discussed by those work groups. (See further discussion of work groups, below.)

Consideration of Recommendations

The committee will consider any recommendations on state tax issues that are proposed or developed by work groups or subcommittees and presented to the committee and will determine whether to adopt or reject those recommendations, or provide other direction.

3. How does the Uniformity Committee generally conduct its business?

The following are the important elements of how the committee conducts its business—that is—makes its decisions:

Committee Leadership

The committee is led by a chair and vice chair selected by the committee. The chair and vice chair will work with staff to coordinate and plan meetings, set agendas, and other process decisions.

Scheduling of Public Meetings, Agendas, and Materials

Under the PPP (see Section C – Appendix, below), Commission bodies, including committees and work groups, must conduct any business publicly. This requires public notice of the agenda of items to be covered. The agenda, materials, and any

notes will also be public information and will be published on the MTC website on the project web page.

Public Comment

During the committee meetings there will be time for public comment on the committee's business for that meeting or its work, generally. The chair has discretion to manage this public comment process, including the time used for that purpose. It is a longstanding practice to also allow general public comment at the beginning of meetings.

State Participation and Role of the Participants

Each state determines who participates in the uniformity work and may direct those participants to give particular input or take particular positions. During committee informal discussions, however, state participants are not assumed to be speaking officially on behalf of their state—unless they say otherwise. Rather, the role of the participants during these discussions is to ask questions and share information based on their roles, experience, and expertise.

Decision Making

The committee works to build consensus on issues, but there are times when decisions must be made by vote. (See the discussion of voting in Subsection 8 below.)

4. How does a uniformity project get started?

Projects may be started in different ways. The typical process is as follows:

Committee Hears Proposals for New Projects

Proposals are generally made to the Uniformity Committee—although the Commission or Executive Committee may also receive such proposals and refer them or direct the committee to consider them. Proposed projects can come from states, taxpayers, practitioners, other members of the public, or staff of the Commission.

Proposals May Be Assigned to the Standing Subcommittee

The Uniformity Committee established a standing subcommittee to help in reviewing project proposals and make recommendations to the committee. (That subcommittee generally meets only when there is capacity for taking up a new project.)

Ultimately, the Committee will Vote

After discussing a proposal for a new project, a member of the committee may move to take up that project. The committee may then vote to approve that motion including establishing a work group and determining the project scope. (See more information on voting in Subsection 8 below.)

5. How is the work on uniformity projects generally conducted?

Like other parts of the uniformity process, this can vary based on the particular project. In most cases, the Uniformity Committee will establish a work group or subcommittee to:

- Build on work that has been done in the past or by particular states or other groups,
- Direct and oversee work by MTC staff or members of the group to gather information, conduct research, conduct stakeholder discussions, prepare drafts, etc.

- Assist with, discuss, review, and approve the development any proposals or recommendations on the issues assigned, and
- Report on the project status and present any specific recommendations to and receive any direction from the committee.

6. What do the work groups do?

While projects vary, work groups will generally:

Determine the Particular Process They Will Use

The work group will make decisions about its process—such as when or how often to meet, whether to invite outside speakers, whether to establish study groups, etc.

Direct the Project Work

The work group will direct the work on the project—including any research and analysis done by staff or others, requests for input from state participants, the particular focus of any study groups, questions for stakeholders, and other similar information gathering, as well as engagement with other interested groups.

Make Substantive Decisions and Recommendations

Work groups will make necessary substantive decisions, including decisions about the nature and scope of the issues to be addressed. The ultimate work group decisions will take the form of recommendations to the Uniformity Committee. Those recommendations may be captured in model rules, lists of specific recommendations, or in white papers that also contain more detailed analysis. The nature of the project will determine the nature of the substantive decisions the work group will need to make to generate these results.

7. How does a work group generally conduct its business?

Work groups, like the Uniformity Committee, are “Commission bodies” and conduct their business—that is their decision-making—through meetings at which they may also hear presentations and reports or have informal discussion. The following is a summary of the process by which work groups generally conduct their business:

Work Group Leadership

Work groups will generally be led by a chair (and sometimes vice chair) selected by the committee or by the work group. The chair will work with staff to coordinate and plan meetings and other processes.

Scheduling of Public Meetings, Agendas, and Materials

Under the PPP (see Section C – Appendix, below), work groups conduct any business (that is, make any decisions) publicly. This requires notice of the agenda and items to be covered. The agenda, materials, and any notes will be public information, published on the MTC website on the project web page.

Public Comment

During work group meetings there will be time for public comment on the business for that meeting its work, generally. The chair has discretion to manage this public comment process, including the time used for that purpose. It is a longstanding practice to also allow general public comment at the beginning of meetings.

State Participation and Role of the Participants

As with the Uniformity Committee, any states that wish to actively participate may in work groups may do so. And, as with the committee, while states may direct those participants to give particular input or take particular positions, when the participants engage in informal discussions they are not assumed to be speaking officially on behalf of their state—unless they say otherwise. Rather, the role of the participants during these discussions is to ask questions and share information based on their roles, experience, and expertise.

Study Groups and Stakeholder Interviews

The work groups may establish study groups or may direct stakeholder interviews on particular topics related to the project. Study groups may include state participants or members of the public and will generally hold separate discussions or engage in other activities and report back to the work group any findings for the work group's discussion and consideration.

Decision Making

The work groups generally work to build consensus on issues, but there are times when decisions may have to be made by vote. (See Subsection 8 below on voting.)

8. How is voting conducted by the Uniformity Committee and work groups?

The answer to this question, as summarized below, is based on various authorities including the PPP, committee Charter, and Mason's (see Section C – Appendix, below).

Participation of States Generally

The uniformity committee does not have a set membership. This is also typically the case with work groups. Generally, any state that wishes to participate in the business of the committee or its work groups may do so. And while members of the public will provide input to work groups, they are not considered members or participants in those work groups entitled to debate or decide issues, unless specifically appointed for that purpose.

No Quorum

Because the Uniformity Committee and its work groups generally do not have a set membership, they do not need to have a quorum of members present in order to conduct business or make decisions. That said, the chair has discretion in determining whether there are sufficient numbers of participating members present in order to take the proposed action.

Proposals and Motions

For there to be a vote—there must be a proposal to act or other official business, either pertaining to the process (e.g., to recess, to adjourn, to alter the order of items considered, etc.) or as to some substantive decision (e.g., to refer a recommendation to the Executive Committee for its consideration). Any proposal for action generally takes the form of a motion, although there can also be informal proposals following from discussions that are agreed to through consensus.

Under Mason's (see Section C – Appendix, below) and the committee's longstanding practices, the general process for making motions is as follows:

- A motion can be made and voted on during any meeting provided it is germane to the item on the meeting’s agenda that is being discussed,
- Motions can be made by any member of the committee (i.e. state participant) or work group,
- There is no need for a second,
- The chair has discretion on when to solicit or consider motions, and
- A motion for the committee or work group to take some action should be stated by the member and then restated by the chair.

Debate on the Motion and Amendment

After a motion is made and accepted by the chair—proposing some action by the committee or work group—the chair has discretion in the conduct of any debate on that motion, as well as considering any amendments. The process used generally includes the following steps:

1. If the topic to which the motion relates has not been sufficiently discussed or if there has not been any opportunity for public comment on that topic, the chair may decide that a decision on the motion should be deferred until that discussion and/or public comment is conducted.
2. If there has already been an opportunity for discussion and public comment on the topic, then the chair may simply ask if the members have any questions or wish to debate the motion.
3. Questions or comments, including those by the member who offered the motion, should be directed to the chair. The chair may also ask that member or others for input on any issue raised.
4. While the motion is being considered, no other motions can be made, but the member who made the motion may withdraw it or may propose to amend it. Other members may also propose amendments, which may be accepted or rejected by that member.
5. Once the chair determines that there is no further debate, the chair may call the vote on the motion (as amended, if appropriate).
6. Once a motion has been voted on, it cannot be reconsidered at the same meeting.

Methods of Voting on Motions

Bylaw D.(2)(e) provides that in meetings conducted entirely remotely—votes must be taken by roll call except for motions to approve the minutes or to recess or adjourn the meeting. For other meetings, voting on motions can be done in one of three primary ways, depending on the nature of the proposal and/or the results of any discussion of the related issues or the apparent agreement evident from the debate on that motion:

- Unanimous consent – The chair may ask if there is any objection to the motion and, if not, the motion will pass by unanimous consent. This process can be used for:
 - Procedural motions (e.g., to recess, adjourn, defer discussion, etc.), or

- Motions that are not particularly weighty (e.g., asking a work group to publish certain information or provide a report on a particular topic) where there has been no opposition expressed during any discussion.
- Voice Vote – The chair may ask all those who approve a motion to indicate by saying “yea” and all those who oppose by saying “nay.” The chair may then determine the outcome based on the approximate number, unless a member asks for a roll call vote.
- Roll Call – The chair may direct a vote by calling on each state.

Votes by Members

- One Vote Per State – When the committee or its work groups make formal decisions, each state gets one vote. If a state has more than one person participating in the committee or work group, they should decide who will vote on behalf of that state. No voting by proxy is allowed.
- Ineligible State Attendees – A state may have attendees present simply to observe the meeting or who may be present during the discussion of a particular issue that does not have any affect that state (e.g., because the state does not impose the related tax). In that case, if the attendee(s) respond they should note that they are just observing or that their state is not eligible to vote because the issue cannot have any effect on that state. Note that this does not apply to the regular participants in project work groups.
- Majority Vote Required and Effect of Abstentions – In order to be approved, a motion must receive a majority of yes votes among members present and eligible to vote. A vote to abstain is counted as a no vote for this purpose.

9. What is the Executive Committee’s role in uniformity work?

Any proposed recommendation to the states that is ultimately approved by the Uniformity Committee—including recommendations in the form of a draft model—will be sent to the Executive Committee for its consideration. The Executive Committee has plenary authority over that recommendation. It may conduct discussions on the related issues, or may entertain a motion to approve or reject the recommendation, table it for further consideration, or send it back to the Uniformity Committee for further work. If it approves the recommendation (with or without amendments) then it will provide for a public hearing on that recommendation pursuant to Bylaw 7 and Compact Art. VII.(2).

10. How is a public hearing conducted and how is the report used?

Pursuant to Bylaw 7, public hearings on uniformity recommendations may be conducted by the Executive Committee itself, a subcommittee created for that purpose, or by the executive director of the MTC or a hearing officer by the executive director. Hearings must have 30 days’ notice and are open to all members of the public. If the hearing is held by the Executive Committee, it will provide a written report to the Commission, along with any comments received and any proposed action for the Commission’s consideration and action. If the hearing is held by a subcommittee or by the executive director or a hearing officer, then the report will be submitted to the Executive Committee for its consideration.

If the hearing report is made to the Executive Committee, that committee can then take any action related to the recommendation including rejecting the recommendation, or sending it back to the Uniformity Committee for further work. If the Executive Committee

approves the recommendation for referral to the Commission, it must conduct a Bylaw 7 survey.

11. What is a Bylaw 7 survey?

Pursuant to Bylaw 7(g), uniformity recommendations will be circulated to Compact and Sovereignty members to determine if the affected members will consider adoption of the recommendation within their respective jurisdictions. The results of the survey will be reported to the chair of the Executive Committee, who will determine if a majority of those affected members have agreed to consider its adoption. If so, the chair will direct the consideration of the item at the next meeting of the Commission. If not, the chair will refer the recommendation back to the Executive Committee for further consideration.

12. What is the Commission's role in uniformity work?

The Commission will consider any uniformity recommendation that has been properly referred to it by the Executive Committee.

Commission Process for Considering Uniformity Recommendations

When the Commission deliberates on uniformity recommendations, it does so as part of a meeting and will follow processes similar to the Executive and Uniformity Committees. However, notices for Commission meetings, unlike meetings of other committees, must normally be given 30 days in advance. The agenda for the meeting will include information on any recommendation that will be considered. Typically the recommendation will be presented along with a form of resolution for its adoption. The Commission will then hear a presentation of the recommendation and conduct any discussion, including any public comment. It will then receive a motion for action on the recommendation. After any debate on that motion by the members, the Commission will vote to approve or reject the recommendation.

Commission Vote Required for Adoption

In order to adopt a uniformity recommendation, the Commission follows rules provided in Bylaw 7(c),(e), and (h). Under those provisions, at least 60% percent of the total number of Compact member states and at least 60% of the combined total number of Compact and Sovereignty member states must vote yes in order for the recommendation to be approved. If a majority of these states, but less than 60%, vote in favor, then voting on the proposed action will be held open for 30 days to allow absent or abstaining compact and sovereignty members to submit a vote in writing.

Section C. Appendix of Authorities

The provisions of the Compact, Bylaws, Public Participation Policy, Uniformity Committee Charter, and Mason’s Manual that are especially relevant to the uniformity process are excerpted below.

Multistate Tax Compact (Compact) – Available here: [COMPACT](#)

The Compact was first adopted and became operable in 1967. Compact members, along with other states, provide resources for Commission and its staff to engage in various activities on behalf of member states. Where the Compact provides a rule of procedure for the MTC committees, that rule controls.

Article I. Purposes.

The purposes of this compact are to:

1. Facilitate proper determination of State and local tax liability of multistate taxpayers, including the equitable apportionment of tax bases and settlement of apportionment disputes.
2. Promote uniformity or compatibility in significant components of tax systems.
3. Facilitate taxpayer convenience and compliance in the filing of tax returns and in other phases of tax administration.
4. Avoid duplicative taxation.

. . .

Article VI. The Commission.

Organization and Management.

1. (a) The Multistate Tax Commission is hereby established. It shall be composed of one “member” from each party State who shall be the head of the State agency charged with the administration of the types of taxes to which this compact applies. If there is more than one such agency, the State shall provide by law for the selection of the Commission member from the heads of the relevant agencies. . . .

1. (c) Each member shall be entitled to one vote. The Commission shall not act unless a majority of the members are present, and no action shall be binding unless approved by a majority of the total number of members.

. . .

1.(k) The Commission shall adopt bylaws for the conduct of its business. The Commission shall publish its bylaws in convenient form and shall file a copy of the bylaws and any amendments thereto with the appropriate agency or officer in each of the party States.

. . .

Committees.

2. (a) To assist in the conduct of its business when the full Commission is not meeting, the Commission shall have an Executive Committee of seven members, including the Chairman, Vice Chairman, Treasurer and four other members elected annually by the Commission. The Executive Committee, subject to the provisions of this compact and consistent with the policies of the Commission, shall function as provided in the bylaws of the Commission.

(b) The Commission may establish advisory and technical committees, membership on which may include private persons and public officials, in furthering any of its activities. Such committees may consider any matter of concern to the Commission, including problems of special interest to any party State and problems dealing with particular types of taxes.

(c) The Commission may establish such additional committees as its by-laws may provide.

Powers.

3. In addition to powers conferred elsewhere in this compact, the Commission shall have power to:

(a) Study State and local tax systems and particular types of State and local taxes.

(b) Develop and recommend proposals for an increase in uniformity or compatibility of State and local tax laws with a view toward encouraging the simplification and improvement of State and local tax law and administration.

(c) Compile and publish such information as would, in its judgment, assist the party States in implementation of the compact and taxpayers in complying with State and local tax laws.

(d) Do all things necessary and incidental to the administration of its functions pursuant to this compact.

...

Article VII. Uniform Regulations and Forms.

1. Whenever any two or more party States or subdivisions of party States have uniform or similar provisions of law relating to an income tax, capital stock tax, gross receipts tax, or sales or use tax, the Commission may adopt uniform regulations for any phase of the administration of such law, including assertion of jurisdiction to tax or prescribing uniform tax forms. The Commission may also act with respect to the provisions of Article IV of this compact [UDITPA].

2. Prior to the adoption of any regulation, the Commission shall:

(a) As provided in its bylaws, hold at least one public hearing on due notice to all affected party States and subdivisions thereof and to all taxpayers and other persons who have made timely request of the Commission for advance notice of its regulation-making proceedings.

(b) Afford all affected party States and subdivisions and interested persons an opportunity to submit relevant written data and views, which shall be considered fully by the Commission.

3. The Commission shall submit any regulations adopted by it to the appropriate officials of all party States and subdivisions to which they might apply. Each such State and subdivision shall consider any such regulation for adoption in accordance with its own laws and procedures.

Commission Bylaws (Bylaws) – Available here: [BYLAWS](#)

The Commission must adopt Bylaws for its own operation. Compact Art.VI.1.(c). To the extent the Bylaws address processes or rules to be used by committees established by the Commission or the Executive Committee, those rules control, except when in conflict with a provision of the Compact.

Bylaw 2: Purpose and Status

It is the purpose of these bylaws to govern and facilitate the business of the Multistate Tax Commission. These bylaws are supplementary to the Compact pursuant to which the Commission functions. The provisions of the Compact, wherever relevant, govern all proceedings of the Commission whether or not specifically set forth in these bylaws.

Bylaw 3: Officers and Personnel

(d) Chair. The chair presides at all meetings. He or she appoints such committees as may be necessary and acts as an ex officio member of each such committee, except that his or her presence or absence is not counted in determining any quorum requirement therefor. Nothing in this paragraph prevents the Commission from providing by resolution for the establishing and functioning of any particular committee or committees which it believes to be appropriate or from specifying a different method of selection therefor.

...

Bylaw 5: Quorum, Voting, and Minutes [For Commission]

(a) A quorum requires the presence of a majority of the compact members of the Commission or their alternates. . . . No voting by proxy is allowed.

(b) All actions taken by the Commission, except as otherwise provided, require an affirmative vote of (1) a majority of the number of compact member states, and (2) a majority of the number of compact and sovereignty member states.

(c) Actions regarding the transmittal of recommendations relating to uniformity or compatibility of tax laws made pursuant to Article VI.3.(b) of the Compact require an affirmative vote of (1) at least 60 percent of the total number of compact member states, and (2) at least 60 percent of the combined total number of compact and sovereignty member states. Statements of minority views, if any, will be transmitted together with the recommendations relating to uniformity or compatibility to which they apply.

...

(e) If, when a vote is taken, any action does not achieve the required majority but otherwise receives a greater number of votes in favor, then voting on the proposed action will be held open for 30 days to allow absent or abstaining compact and sovereignty members to submit a vote in writing. But if votes from absent or abstaining compact and sovereignty member states cannot change the result, then voting will not be held open.

...

(h) The vote on any matter before the Commission will be taken in such manner as to show how each compact and sovereignty member voted, and a record thereof is to appear in the minutes of the meeting. Minutes of all meetings will be made by the executive director and drafts thereof made available to all compact members, sovereignty members, alternates, attorneys general of the party states, their designees or other counsel not less than 30 days prior to the next regular meeting. In the case of a special meeting, the draft minutes should be made available as soon as practicable after the meeting.

Bylaw 6: Committees

(a) Executive Committee

1. . . . Any and all actions by the Executive Committee require a majority of those present and eligible to vote.

...

3. A quorum requires the presence of four (4) members of the Executive Committee or their alternates. No voting by proxy is allowed. Presence includes participation by telephone, videoconference, or similar technological means that allows members or their alternates to participate in the discussions as the meetings occur.

(b) Other Committees

1. To further the purposes of the Compact, advisory and technical committees are established that support the Commission's uniformity mission, audit program, and efforts to facilitate state and local tax compliance.

2. Additional committees necessary to conduct the business of the Commission or that support the goals of the Compact may be established by the Executive Committee.

(c) Ad Hoc Groups

Committees are authorized to establish and utilize ad hoc groups having a terminable existence that are tasked with accomplishing a specified objective or serving a specific purpose.

Bylaw 7: Hearings and Procedures for Uniformity Recommendations

(a) The Commission, or the Executive Committee, acting on behalf of the Commission, on due notice, may hold hearings on any matter related to the function or responsibilities of the Commission under the Compact.

(b) The Commission, or the Executive Committee, as the case may be, may appoint a hearing officer or committee to conduct any hearing on behalf of the Commission.

(c) Any hearing held pursuant to Article VII.(2) of the Compact will be on no less than 30 days written notice. Such notice will be given to the party states and to such subdivisions as may be affected by the subject matter of the hearing, and to persons who have made written request for notice at least 60 days in advance of the hearing date.

(d) All hearings are open to the public and, in addition to any other notice required, announced no less than 30 days in advance of such hearings, in a mailing to the names on the mailing list maintained by the office of the Multistate Tax Commission, and in such other manner as the executive director deems appropriate. In counting the 30-day notice period, the day after the day that the notice is issued is day one. In the event that the hearing is not properly noticed pursuant to this bylaw, and upon timely complaint of any person, the hearing will be rescheduled to provide for proper notice. A complaint of improper notice must be made within 30 days of the completion of the hearing or within 15 days of the date of the report described in section (e), whichever is earlier, and must be made pursuant to Section 24 of the Commission's Public Participation Policy. In counting the period for submitting a timely complaint, the day after the completion of the hearing or the date of the report, as the case may be, is day one.

(e) In the event that the hearing is held by the Executive Committee, the Committee will submit to the Commission a report containing a synopsis of the hearing proceedings, and a detailed recommendation for Commission action. In the event that the hearing is held by another

committee or a hearing officer on behalf of the Commission, the committee or hearing officer, as the case may be, will submit to the Executive Committee a report containing a synopsis of the hearing proceedings, and a detailed recommendation for Commission action. The Executive Committee will consider the report and may either direct further study and consideration of its subject matter or submit the report, with its own recommendation for action, to the Commission.

(f) Any item not subject to a hearing, but relating to uniform or compatible tax laws, regulations, or administrative practices must be considered and approved by the Executive Committee prior to the item being recommended to the Commission for action.

(g) Any recommendation for action submitted by the Executive Committee to the Commission relating to uniform or compatible tax laws, regulations or administrative practices, regardless of whether such matters required hearings, will be circulated to the compact and sovereignty members by the executive director for not less than 30 days to determine if the affected compact and sovereignty members will consider adoption of the recommendation within their respective jurisdictions. The survey of the compact and sovereignty members will include, as specified by the Executive Committee, the time period and manner in which the compact and sovereignty members are requested to consider adoption of the item. The results of the survey of the compact and sovereignty members will be reported to the chair, who will determine if a majority of the compact and sovereignty members affected by the recommended item have agreed to consider its adoption. If a majority have agreed, the chair will direct the consideration of the item at the next meeting of the Commission, with proper notice provided according to Bylaw 4. If a majority of affected compact and sovereignty members have not agreed to consider adoption of the item, the chair will refer the recommendation for Commission action back to the Executive Committee for further consideration.

...

Bylaw 13: Affiliated Membership by States

... (b)3. Representatives of sovereignty members are entitled to participate as a voting member and are eligible to serve in a leadership position on any committee reporting to the Executive Committee or Commission whose work primarily involves activities funded by the membership assessment paid by compact and sovereignty members.

... [Other than programs that have fees]

(c)2. Representatives of associate members may participate in, vote, and serve in leadership positions in subcommittees and work groups of committees reporting to the Executive Committee or Commission, and may also vote in the committee meetings concerning matters resulting from such participation.

...

Bylaw 15: Resolutions and Policy Statements

(a) General. The Commission may adopt resolutions or policy statements concerning aspects of state taxation relevant to the purposes of the Compact, including any pending federal legislation affecting state taxation. The Commission may also adopt resolutions related to such subjects as commission bylaws, commission uniformity recommendations, internal administration and governance of the Commission, procedures and policies to guide the Commission's taxpayer compliance and service programs, and resolutions honoring persons who have contributed significantly to fulfilling the purposes of the Multistate Tax Compact. . . .

Public Participation Policy (PPP) – Available here: [PPP - Revised](#)

The Public Participation Policy was revised for clarity in July 2024. It’s focus is on the way in which the business of various Commission bodies—which include the Uniformity—is conducted and requirements for notice and public participation. The provisions of the policy control unless in conflict with the Compact or the Bylaws.

A. Definitions

(3) “Commission body” means the Executive Committee; advisory, technical, or other committees established by the Commission or Executive Committee under Compact article VI. 2(b) and (c) or bylaw 6(b); and ad hoc groups established by committees under bylaw 6(c) including subcommittees and work groups as those terms are used in bylaws 13(c) and (d).

...

(8) “Meeting” — (a) “Meeting” means:

(i) a gathering of commission members to transact business, or

(ii) a gathering of a commission body to transact business, act within the scope of the commission body’s charter, or act to accomplish a specified objective or a specific purpose under bylaw 6(c).

(b) Meeting does not include:

(i) a gathering facilitated by the Commission or a commission body solely to study state and local tax systems and particular types of state and local taxes under Compact article VI. 3(a);

(ii) training facilitated by the Commission or a commission body;

(iii) information sharing sessions facilitated by the Commission or a commission body;

(iv) a gathering for social or ceremonial occasions, whether sponsored in whole or in part by the Commission or a commission body; or

(v) a gathering at a conference or similar gathering sponsored by an entity other than the Commission or a commission body to discuss issues of general interest.

...

C. Public Participation Rights and Responsibilities

(1) Registration is not required to attend meetings. No person is required to register their name, provide identification or other information, complete a questionnaire, or otherwise fulfill any condition to attend a meeting of the Commission or a commission body. If an attendance list, register, questionnaire, or similar document is circulated to persons present during the meeting, it will state clearly that signing, registering, or completing the document is voluntary.

(2) Recording meetings is permitted. A person attending a meeting of the Commission or a commission body may record the proceedings in the absence of a reasonable finding by the Commission or the commission body that such recording constitutes, or would constitute, a disruption of the meeting. If the person presiding over the meeting knows it will be recorded in whole or part, the person will inform the public during the meeting.

(3) Public records.

(a) Except as provided in subsection (b) of this section, documents, including electronic copies, for consideration or discussion at a meeting of the Commission or a commission body are public records and will be made available.

(b) This section does not apply to a document that:

(i) is a preliminary draft, note, or memoranda not retained by the Commission or commission body in the ordinary course of business;

(ii) pertains to pending litigation to which the Commission, commission body, or state member is a party until the pending litigation has been finally adjudicated or otherwise settled;

(iii) contains information that, if released, would constitute an unwarranted invasion of personal privacy, such as medical files; or

(iv) is properly discussed in a closed session of the Commission or a commission body under section E. of this policy.

(c) The Commission or a commission body may charge a fee for a copy of a public record to cover the direct costs of duplication.

(4) Public participation in uniformity matters. Members of the public are welcome to provide comments on uniformity matters and the Commission or commission bodies may solicit public participants to provide advice when developing uniformity recommendations. The Compact requires that public hearings be conducted for each proposed uniformity recommendation before it is considered for adoption by the Commission. The Commission will provide public notice of these hearings through its distribution lists and on the Commission's website. The Commission will allow the public to participate remotely in such hearings whenever possible.

(5) Disturbances during meetings. When a meeting is interrupted by a disturbance, including willful interruptions or disorderly conduct by individuals, the person presiding during the meeting can act as necessary to address the disturbance and continue or conclude the meeting.

(6) Public comments during meetings.

(a) Except as otherwise provided in this section, the Commission and commission bodies must provide an opportunity for members of the public to address each agenda item before or during consideration of the item. This section is not applicable if the agenda item has previously been considered by the Commission or a commission body at a meeting where interested members of the public had the opportunity to provide comments on the item, whether before or during consideration of the item, unless the item has been substantially changed since the Commission or commission body heard the item, as determined by the Commission or the commission body.

(b) The Commission and commission bodies may adopt reasonable policies and procedures to ensure that the intent of subsection (6)(a) of this section is followed, including, but not limited to, policies and procedures limiting the total amount of time allocated for public comment on particular issues and for each individual speaker.

(c) Section C(6) of this policy is not applicable to closed sessions held under section E. of this policy.

(d) During the annual commission meeting held under article VI. (e) of the Compact and bylaw 4, members of the public may provide comments on the activities and operations of the Commission and any topic related to the purposes of the Compact.

(e) The Commission and commission bodies may receive public comments on matters that are not included as an agenda item in a meeting notice but may not act on those matters except as provided in section D(4) of this policy.

(7) Complaints. Complaints involving alleged failures of the Commission or commission bodies to follow this policy must be submitted in writing within 10 days of the alleged failure to the Commission's executive director, who will send a copy of the complaint to each member of the Executive Committee. The executive director or the general counsel will investigate the complaint and prepare a report of findings and recommendations for remedial steps that may be necessary. A copy of this report will be forwarded to each commission member within 45 days of receipt of the complaint and must be included on the agenda for discussion and possible action at the next meeting of the Commission or the Executive Committee, whichever occurs first.

D. Meetings

(1) Required open and public meetings. All meetings of the Commission and commission bodies are open to the public and all persons are permitted to attend except as otherwise provided in this policy. Refer to section A(8) of this policy for a definition of the term "meeting."

(2) Remote meetings. The Commission and commission bodies may meet remotely, in whole or in part, provided:

(a) the person presiding can conduct the meeting in an orderly manner;

(b) those participating remotely are provided the means to hear and speak during the meeting;

(c) the meeting notice includes remote access information in addition to any location information;

(d) at least one commission member, representative of a commission body, or an employee of the Commission or a state member is physically present at any location specified in the meeting notice; and

(e) if the meeting is being conducted entirely remotely, votes taken during the meeting are by roll call except votes related to motions to approve minutes and to recess or adjourn.

(3) Meeting notices and agendas.

(a) The Commission and commission bodies must provide meeting notices to persons who request them.

(b) Unless otherwise required by the Compact or bylaws, meeting notices must be issued at least 10 days in advance of the meeting. In counting the notice period, day one is the day after the meeting notice is issued, the day the meeting is to be held is counted, and the Eastern time zone controls whether a notice is timely.

(c) Meeting notices must include the name, email address, and telephone number of a person who can provide information about the meeting.

(d) Meeting notices must include an agenda, including items of business to be transacted as provided in bylaw 4. No item can be added to the agenda once issued, unless a new notice is issued prior to the 10-day notice period, subject to these exceptions:

(i) Upon a determination by a majority vote of the Commission or a commission body that an emergency exists as defined in subsection D(4) of this policy.

Notice that an emergency item will be added to an agenda must be provided as soon as it is practical and delivered at least 24 hours before the meeting as noticed.

(ii) Upon a determination by a two-thirds vote of the Commission or a commission body, or, if less than two-thirds of the Commission or a commission body are present, a unanimous vote of those present, that there exists a need to take immediate action and that the need for action came to the attention of the Commission or the commission body after the meeting notice agenda was issued.

(e) If the Commission or a commission body fails to provide a meeting notice required by this policy and a person complains under section C(7) of this policy, business transacted by the Commission or commission body at the improperly noticed meeting is invalid. If the meeting is rescheduled and properly noticed following verification of the failure, materials or comments submitted by persons at the improperly noticed meeting may be relied on by the Commission or commission body at the rescheduled meeting. A person may respond to those materials or comments and have the person's response considered by the Commission or commission body prior to its vote or decision at the rescheduled meeting. A person appearing at the improperly noticed meeting may appear at the rescheduled meeting or may request that the person's previously submitted documents and comments be considered at the rescheduled meeting. Nothing in this section prohibits a person from supplementing documents and comments previously submitted at the improperly noticed meeting.

Uniformity Committee Charter (Charter) – Available here: [CHARTER](#)

The Uniformity Committee Charter is adopted by the committee and ratified by the Executive Committee, under whose authority the Uniformity Committee operates.

Responsibilities

The MTC's Uniformity Committee is responsible for furthering the uniformity goals of the MTC by identifying areas in need of greater simplicity, fairness, and consistency; encouraging greater voluntary compliance through taxpayer education and enhanced tax enforcement; and fostering communication among state tax administrators, taxpayers, and tax practitioners.

Membership and Voting

Uniformity Committee membership is voluntary and inclusive. Because any compact, sovereignty, or associate state is welcome to participate, a quorum for purposes of the committee is simply the states that are present at any meeting. All state employees present during a meeting are welcome to participate and can offer motions or amendments.

The Uniformity Committee may establish work groups and request volunteers, including, if appropriate, members of the public who may participate as official members, to take on specific projects and report back to the committee. As with the committee itself, there is generally no restriction on state membership or participation in the decisions made by such work groups, and these groups will strive to reach decisions by consensus of those present and participating. Work group meetings or calls take place at times and intervals determined by the participants and are subject to the MTC's notice requirement and Public Participation Policy.

The Uniformity Committee has also established a standing subcommittee to review suggestions for new projects when appropriate. The standing subcommittee has designated members and is chaired by the Uniformity Committee's vice chair.

Official committee, standing subcommittee, or work group decisions are made by motion, with no need for a second. Motions may be offered by any member. A member may indicate that they are not eligible to vote on a motion, or the chair has the option to determine who is eligible, including members of the public who are official members of a work group, when, for example, the matter does not affect that particular state or public member. Each state is entitled to a single vote and members from that state may indicate who will vote for that state. Eligible voters may vote yes, no, or abstain. A motion passes when a majority of eligible voters vote in favor. For example, assume 15 people 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.

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 Uniformity Committee meets at the call of the chair, generally at least three times per year. Committee meetings are subject to the MTC bylaws and Public Participation Policy. The committee studies aspects of state and local tax systems and develops proposals for increased uniformity and compatibility with a view toward encouraging the simplification and improvement of state and local tax law and administration. (See Compact Art. VI, Sec. 3.) The committee's work in developing uniformity proposals focuses on:

- Methods for apportioning or attributing multistate income to states in a way that reasonably reflects where it is earned and achieves full accountability
- Methods for uniformly sourcing interstate transactions so as to minimize or eliminate potential for multiple taxation
- Methods for easing compliance burdens of multistate taxpayers
- Methods for ensuring fair and even-handed enforcement of taxes
- Uniform forms and reporting processes

Commission or Executive Committee Directives

The Commission or Executive Committee may direct the Uniformity Committee to conduct a particular process or take certain actions, provided these directives do not conflict with the Compact, Bylaws, Public Participation Policy, or Committee Charter. Currently, there is only one such resolution in effect—the Joint Resolution Supporting State Efforts to Promote Uniformity in the Taxation of Digital Products, adopted in 2023, which supports the efforts of the Uniformity Committee to work with Streamlined and the Federation of Tax Administrators on issues related to sales taxation of digital products.

Mason's Manual (Mason's)

Mason's contains the rules of procedure which are generally used by state legislatures. These rules apply only when not in conflict with the Compact, Bylaws, Public Participation Policy, Uniformity Committee Charter, or Commission or Executive Committee resolutions directed to the Uniformity Committee. The Manual is not available online except by purchase.

A summary of the provisions of the manual that are most important for purposes of the Uniformity Committee are:

Sec. 14 – The Rules May Be Suspended

Ordinarily, a majority of the members of a body may vote to suspend the rules of procedure.

Sec.s 81 and 82 – What Motions Are Debatable and What Motions Are Not Debatable

Substantive motions are debatable. Non-substantive motions are not. Examples of non-substantive motions are motions to adjourn, recess, questions related to order of business, suspension of rules, tabling a motion or removing it from the table, and similar.

Chapter 10 – DEBATE ON PROPOSALS

There must be a proposal (or motion) in order for there to be debate among the members of the body. (Otherwise, the commenting on issues is simply discussion or information sharing—which may take any form.)

Chapters 11–13 DEBATE

The sections of this chapter set out rules for conducting debate on business before the body—that is proposals that take the form of motions on which there is to be a decision or vote. The following is a summary of the important rules:

- Only members can debate.
- The chair presides over debate on any motions (recognizing those members who want to speak).
- If the motion or proposal is long or detailed, the chair may ask for debate on particular issues or parts of the proposal in whatever order the chair believes is appropriate.
- A member can ask permission from the chair to ask questions of the member making the motion or of other members.

Chapters 14-17 MOTIONS (Generally)

These chapters set out the rules for motions generally. In summary, the most important rules provide that:

- Until there is a proposal in the form of a specific motion, there can be no debate—and no business for the body to decide.
- Any member of the body can make a motion.
- Motions typically relate to actions by the body to:
 - Take some specific action
 - Adopt a resolution on an issue
 - Give some direction
 - Follow some procedure (adjourn, recess, etc.)
- The chair may call for a motion and may decide whether a motion is proper or timely.
- Seconds to motions are not required.
- Other than procedural motions, a motion once raised and voted on cannot be raised again for reconsideration in the same form at the same meeting, nor can its opposite. But a different form may be proposed.
- Routine matters where the body has a practice of handling them informally do not require a motion.

Chapter 32 – TABLING (POSTPONING) MOTIONS

After a motion is made, a member may move to table or postpone the debate and vote on that motion for various reasons. If a motion to table is made and passed, then another motion will need to be made to take the motion off the table and proceed to consider it.

Chapter 37 – MOTIONS TO AMEND

If a motion that has elements which could be changed or stated in another way can be amended. Amendments themselves cannot be amended. Amendments must be germane to the substance of the motion. Amendments can be offered by any member and can also be withdrawn by that member. The member who offered the motion can also accept the proposed amendment.

Chapter 39 – MAIN MOTIONS

A “main motion” is one that addresses the primary business of the body as distinguished from procedural type motions. Such motions take the form of some action within the authority of the committee, e.g., to adopt, to amend, to approve, to rescind, etc. The rules here address in more detail when motions can be reconsidered or rescinded.

Chapter 46 – MANNER OF VOTING

The provisions in this chapter allow:

- A voice vote – where the chair asks first for the members in favor to say yea and then for those opposed to say nay. The chair may then determine if the vote passes based on the relative number by sound.
- A roll call vote – where it is not clear if there was a majority of yeas on the voice vote or if there is otherwise a need for a roll call vote under other rules.
- Unanimous consent – where there appears to be no objection either because none has been expressed during the debate or because the chair has asked whether there are any objections.