



MULTISTATE TAX COMMISSION

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To: Heidi Humphries, Executive Committee Chair
From: Bryan Kelly, Nexus Committee Chair
Re: Nexus Committee Activities through 1st Quarter, FY 2026
Date: November 20, 2025

Nexus Committee Report for 1st Quarter, FY 2026

The Nexus Program results for the First Quarter of FY 2026 (July 1, 2025 through September 30, 2025) are provided below.

- Nexus states' collections: \$12,533,376 (\$29,083,242 FY 2025)
- Nexus states' executed agreements: 86 (498 FY 2025)
- Nexus states' average contract value: \$145,969 (\$58,400 FY 2025)

The above includes amounts paid by the taxpayer directly to the states and reported to the Commission. The Commission received applications from 190 taxpayers in calendar year 2024. For calendar year 2025 to date (as of September 30, 2025), 129 taxpayers have so far applied. Most of the applications are based on sales/use tax economic nexus.

The Nexus Committee met in person in open and closed session on July 21, 2025 in Salt Lake City, Utah and on November 19, 2025 in New Orleans, Louisiana.

The Committee considered at the July 21, 2025 open session meeting: The Committee heard a discussion among Jeffrey Friedman, Professor Richard Pomp, and Richard Cram on whether the Commerce Clause requires apportionment of use tax assessed on mobile equipment used for as little as one day in the taxing state, the issue in *Ellingson Drainage Inc. v. South Dakota Department of Revenue*, in which the South Dakota Supreme Court affirmed the assessment and the taxpayer's petition for certiorari to the U.S. Supreme Court was denied. Bryan Kelly (WA) gave a presentation on Washington State Department of Revenue's new expanded voluntary disclosure program now open to foreign sellers. The Committee approved an amendment to the

Multistate Voluntary Disclosure Program Procedures to add an example to Paragraph 6.2 illustrating when a taxpayer applying for voluntary disclosure will have voluntarily disclosed its identity to the state. The Nexus Committee Charter was considered and no changes were suggested. The meeting was well attended with 54 in-person attendees and 78 virtual attendees.