



To: Executive Committee  
From: Kelly Hancock, Treasurer  
Date: April 23, 2026  
Subject: Financial Statements for the Nine Months Ended March 31, 2026

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**OVERALL COMMENTS:**

Attached are the financial statements for the nine months ended March 31, 2026.

The budget column amounts in the attached reports are computed and are based on the amounts in the fiscal year 2026 budget approved at the meeting of the Commission during its meeting on July 24, 2025.

**BALANCE SHEET:**

The balance sheet remains strong.

Accounts receivable consists of membership fee and audit program fee amounts related to FY 2026 that will be collected during the remainder of CY 2026. This amount is larger than in past years because the MTC issued invoices later than in prior years.

**STATEMENT OF ACTIVITY:**

The MTC has an operating surplus of \$368,845 through the first three quarters of the fiscal year -most of which was recorded in the first quarter. The strong first quarter relative to the second and third quarters results primarily from all general membership assessment fees being recorded in the first quarter rather than ratably throughout the year, and the rent abatement that ended at the end of September.

**Multistate Tax Commission**  
**Budget v Actual Summary**  
**FY26-YTD**

	<b>Q3</b>	
	<b>Budget</b>	<b>Actual</b>
	<b>Full Year</b>	<b>YTD</b>
<b>General Operations Program</b>		
Revenue	\$ 1,709,600	\$ 1,287,323
Expenses	\$ 4,067,551	\$ 2,608,332
<b>Surplus/Deficit Gen Operations</b>	<b>\$ (2,357,951)</b>	<b>\$ (1,321,009)</b>
Note: Dividend Income in <u>not</u> included		
<b>Audit Program</b>		
Revenue	\$ 5,768,910	\$ 4,321,557
Expenses	\$ 4,264,965	\$ 3,154,645
<b>Surplus/Deficit Audit Program</b>	<b>\$ 1,503,945</b>	<b>\$ 1,166,912</b>
Note: includes Gen/Oper Support Surcharge		
<b>Nexus Program</b>		
Revenue	\$ 1,083,363	\$ 817,253
Expenses	\$ 427,233	\$ 300,906
<b>Surplus/Deficit Nexus Program</b>	<b>\$ 656,130</b>	<b>\$ 516,347</b>
Note: includes Gen/Oper Support Surcharge		
<b>Training &amp; Education</b>		
Revenue	\$ 114,136	\$ 8,150
Expenses	\$ 3,012	\$ 1,555
<b>Surplus/Deficit Training &amp; Education</b>	<b>\$ 111,124</b>	<b>\$ 6,595</b>
<b>Total Operations</b>		
Revenue	\$ 8,676,009	\$ 6,434,284
Expenses	\$ 8,762,761	\$ 6,065,439
<b>Surplus/Deficit</b>	<b>\$ (86,752)</b>	<b>\$ 368,845</b>

**Multistate Tax Commission**  
**Statement of Activity (Profit and Loss Statement)**

**Actual**  
**FY26-YTD**  
**Accrual Basis**

	Q1	Q2	Q3	YTD-Total
<b>Revenue</b>				
Member Assessments	\$ 1,281,185	\$ -	\$ -	\$ 1,281,185
Programs	\$ 1,712,937	\$ 1,712,937	\$ 1,712,937	\$ 5,138,810
Audit Program Fee	\$ 1,440,519	\$ 1,440,519	\$ 1,440,519	\$ 4,321,557
Special Project Fees/Nexus	\$ 272,418	\$ 272,418	\$ 272,418	\$ 817,253
Event	\$ 6,138	\$ -	\$ -	\$ 6,138
Annual Seminar	\$ 6,138	\$ -	\$ -	\$ 6,138
Training Program Fees	\$ 2,850	\$ 2,600	\$ 2,700	\$ 8,150
Miscellaneous Revenue	\$ -	\$ -	\$ -	\$ -
<b>Total Revenue</b>	<b>\$ 3,003,110</b>	<b>\$ 1,715,537</b>	<b>\$ 1,715,637</b>	<b>\$ 6,434,284</b>
<b>Expenditures</b>				
<b>Operating Expenses</b>				
Labor	\$ 1,646,568	\$ 1,675,924	\$ 1,697,454	\$ 5,019,947
Program/Event	\$ 104,268	\$ 81,508	\$ 1,427	\$ 187,203
Finance	\$ 13,500	\$ 13,500	\$ 21,000	\$ 48,000
HR	\$ 14,883	\$ 12,326	\$ 12,366	\$ 39,575
Technology	\$ 33,194	\$ 108,686	\$ 35,361	\$ 177,241
Travel	\$ 28,936	\$ 34,334	\$ 34,078	\$ 97,348
Insurance	\$ 12,309	\$ 5,243	\$ 6,193	\$ 23,746
Occupancy	\$ 16,760	\$ 108,073	\$ 131,634	\$ 256,467
General	\$ 61,189	\$ 91,977	\$ 62,745	\$ 215,911
<b>Total Expenditures</b>	<b>\$ 1,931,607</b>	<b>\$ 2,131,573</b>	<b>\$ 2,002,259</b>	<b>\$ 6,065,439</b>
<b>Net Operating Income</b>	<b>\$ 1,071,503</b>	<b>\$ (416,036)</b>	<b>\$ (286,622)</b>	<b>\$ 368,845</b>
<b>Other</b>				
<b>Income</b>				
Dividend Income	\$ 56,394	\$ 54,390	\$ 14,963	\$ 125,747
Unrealized Gain / (Losses)	\$ 8,636	\$ 8,634	\$ (4,352)	\$ 12,919
<b>Expenses</b>				
Investment Advisory Fees	\$ 14,339	\$ -	\$ 44,399	\$ 58,738
Interest Expense		\$ 47		\$ 47
<b>Net Other Revenue</b>	<b>\$ 50,692</b>	<b>\$ 62,977</b>	<b>\$ (33,789)</b>	<b>\$ 79,880</b>
<b>Net Revenue</b>	<b>\$ 1,122,195</b>	<b>\$ (353,059)</b>	<b>\$ (320,411)</b>	<b>\$ 448,725</b>

**Multistate Tax Commission**  
**Statement of Financial Position (Balance Sheet)**  
**Accrual Basis**

	FY26		
	30-Sep-2025	31-Dec-2025	31-Mar-2026
<b>ASSETS</b>			
<b>Current Assets</b>			
Bank Accounts	\$ 959,285	\$ 967,540	\$ 2,076,355
Accounts Receivable	\$ 7,409,830	\$ 5,312,995	\$ 3,095,809
Other Current Assets	\$ 5,757,430	\$ 5,766,013	\$ 4,845,616
Prepaid Expenses	\$ 184,324	\$ 129,883	\$ 148,875
Investment Accts	\$ 5,573,106	\$ 5,636,130	\$ 4,696,741
<b>Current Assets</b>	<b>\$ 14,126,545</b>	<b>\$ 12,046,548</b>	<b>\$ 10,017,780</b>
<b>Fixed Assets</b>			
Furniture & Equip	\$ 505,880	\$ 506,162	\$ 506,162
Accum Depr-F&F	\$ (380,202)	\$ (380,202)	\$ (380,202)
Leasehold Imprv	\$ 429,396	\$ 429,396	\$ 429,396
Accum Depr-LI	\$ (384,146)	\$ (384,146)	\$ (384,146)
<b>Fixed Assets</b>	<b>\$ 170,929</b>	<b>\$ 171,210</b>	<b>\$ 171,210</b>
<b>Other Assets</b>			
Rent Sec Deposit	\$ 335	\$ 335	\$ 335
Right of Use Asset	\$ 4,001,625	\$ 4,001,625	\$ 4,001,625
<b>Other Assets</b>	<b>\$ 4,001,960</b>	<b>\$ 4,001,960</b>	<b>\$ 4,001,960</b>
<b>ASSETS</b>	<b>\$ 18,299,434</b>	<b>\$ 16,219,719</b>	<b>\$ 14,190,951</b>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	\$ 14,211	\$ 13,712	\$ 11,365
Credit Cards	\$ 5,192	\$ 10,601	\$ 8,622
Payroll Liabilities	\$ 572,169	\$ 553,540	\$ 562,445
Other Current Liabilities	\$ 6,426,716	\$ 4,286,717	\$ 2,146,718
Lease Liab - ST	\$ -	\$ -	\$ -
Unearned Program Fees	\$ 6,419,996	\$ 4,279,998	\$ 2,139,999
UPF-Member Assess	\$ 1,281,185	\$ 854,123	\$ 427,062
UPF-Audit Pgm Fees	\$ 4,321,558	\$ 2,881,039	\$ 1,440,520
UPF-Nexus	\$ 817,253	\$ 544,835	\$ 272,418
Unearned Reg Fee	\$ 6,719	\$ 6,719	\$ 6,719
Unearned Reg Fee-SITAS	\$ 6,719	\$ 6,719	\$ 6,719
Unearned Reg Fees-Annual Seminar	\$ -	\$ -	\$ -
Unearned Reg Fee-Nexus School	\$ -	\$ -	\$ -
Unearned Reg Fee-Stat Sampling Train	\$ -	\$ -	\$ -
Unearned Reg Fee-Other Train	\$ -	\$ -	\$ -
Misc	\$ -	\$ -	\$ -
<b>Current Liabilities</b>	<b>\$ 7,018,287</b>	<b>\$ 4,864,570</b>	<b>\$ 2,729,151</b>
<b>Long-Term Liabilities</b>			
Lease Liab - LT	\$ 4,064,791	\$ 4,064,791	\$ 4,064,791
<b>Long-Term Liabilities</b>	<b>\$ 4,064,791</b>	<b>\$ 4,064,791</b>	<b>\$ 4,064,791</b>
<b>LIABILITIES</b>	<b>\$ 11,083,078</b>	<b>\$ 8,929,360</b>	<b>\$ 6,793,941</b>
<b>FUND BALANCE</b>			
Approp Fund Balance	\$ 654,749	\$ 654,749	\$ 654,749
Approp Fund Bal-576	\$ 99,034	\$ 99,034	\$ 99,034
Appr Fund Bal-Enterprise Auto	\$ 555,715	\$ 555,715	\$ 555,715
Restr Fund Balance	\$ 1,226,309	\$ 1,226,309	\$ 1,226,309
Unapp Fund Balance	\$ 3,873,601	\$ 3,873,601	\$ 3,873,601
Retained Earnings	\$ 1,193,626	\$ 1,193,626	\$ 1,193,626
Net Revenue	\$ 268,072	\$ 342,074	\$ 448,725
<b>FUND BALANCE</b>	<b>\$ 7,216,356</b>	<b>\$ 7,290,359</b>	<b>\$ 7,397,009</b>
<b>LIABILITIES AND FUND BALANCE</b>	<b>\$ 18,299,434</b>	<b>\$ 16,219,719</b>	<b>\$ 14,190,951</b>

**Multistate Tax Commission**  
**Revenue Summary (Budget v Actual)**  
**FY26-YTD**

<u>Revenue By Program Type</u>	Q3	
	Budget Full Year	Actual YTD
<b>General Operations Program</b>		
Member Assessments	\$ 1,709,600	\$ 1,281,185
Annual Seminar Fees	\$ -	\$ 6,138
Miscellaneous Revenue	\$ -	\$ -
<b>Total Revenues-General Operations</b>	<b>\$ 1,709,600</b>	<b>\$ 1,287,323</b>
<b>Audit Program</b>		
Audit Program Fee	\$ 5,768,910	\$ 4,321,557
<b>Total Revenues-Audit Program</b>	<b>\$ 5,768,910</b>	<b>\$ 4,321,557</b>
<b>Nexus Program</b>		
Nexus Program Fee	\$ 1,083,363	\$ 817,253
<b>Total Revenues-Nexus Program</b>	<b>\$ 1,083,363</b>	<b>\$ 817,253</b>
<b>Training &amp; Education</b>		
Nexus Schools	\$ 114,136	\$ 3,200
Misc	\$ -	\$ 4,950
<b>Total Revenues-Training &amp; Education</b>	<b>\$ 114,136</b>	<b>\$ 8,150</b>
<b>TOTAL REVENUE</b>	<b>\$ 8,676,009</b>	<b>\$ 6,434,284</b>

**Multistate Tax Commission**  
**Expenditure Details (Budget v Actual)**  
**Fiscal Year 2026**

	<b>Q3</b>	
	<b>Budget</b>	<b>Actual</b>
<u><b>Expenditures By Program Type</b></u>	<b>Full Year</b>	<b>Q3 YTD</b>
<b>General Operations</b>		
Personnel	\$ 2,556,708	\$ 1,823,517
Operating Expenses	\$ 1,510,843	\$ 784,816
<b>Total Expenditures-General Operations</b>	<b>\$ 4,067,551</b>	<b>\$ 2,608,332</b>
Note: Includes Annual Seminar		
<b>Audit Program</b>		
Personnel	\$ 4,066,686	\$ 2,900,476
Operating Expenses	\$ 198,279	\$ 254,168
<b>Total Expenditures-Audit Program</b>	<b>\$ 4,264,965</b>	<b>\$ 3,154,645</b>
<b>Nexus Program</b>		
Personnel	\$ 414,950	\$ 295,954
Operating Expenses	\$ 12,283	\$ 4,952
<b>Total Expenditures-Nexus Program</b>	<b>\$ 427,233</b>	<b>\$ 300,906</b>
<b>Training &amp; Education</b>		
Personnel	\$ -	\$ -
Operating Expenses	\$ 3,012	\$ 1,555
<b>Total Expenditures-Training &amp; Education</b>	<b>\$ 3,012</b>	<b>\$ 1,555</b>
<b>Total</b>		
Personnel	\$ 7,038,344	\$ 5,019,947
Operating Expenses	\$ 1,724,417	\$ 1,045,492
<b>Total Expenditures</b>	<b>\$ 8,762,761</b>	<b>\$ 6,065,439</b>

# Multistate Tax Commission

## Profit and Loss by Class

FY26 YTD - Mar 31, 2026

### Accrual Basis

	<u>MTC</u>	<u>General Ops</u>
<b>Revenue</b>		
Member Assessments	\$ 1,281,185	\$ 1,281,185
Programs	\$ 5,138,810	\$ -
Audit Program Fee	\$ 4,321,557	\$ -
Special Project Fees/Nexus	\$ 817,253	\$ -
Events	\$ 6,138	\$ -
Annual Seminar	\$ 6,138	\$ -
Spring Conference	\$ -	\$ -
Fall Conference	\$ -	\$ -
Training Program Fees	\$ 8,150	\$ -
Miscellaneous Revenue	\$ -	\$ -
<b>Total Revenue</b>	<b>\$ 6,434,284</b>	<b>\$ 1,281,185</b>
<b><u>Operating Expenses</u></b>		
Labor	\$ 5,019,947	\$ 1,823,517
Program/Event	\$ 187,203	\$ -
Finance	\$ 48,000	\$ 48,000
HR	\$ 39,575	\$ 14,376
Technology	\$ 177,241	\$ 154,880
Travel	\$ 97,348	\$ 74,083
Insurance	\$ 23,746	\$ 23,746
Occupancy	\$ 256,467	\$ 256,244
General	\$ 215,911	\$ 184,433
<b>Total Operating Expenses</b>	<b>\$ 6,065,439</b>	<b>\$ 2,579,278</b>
<b>Net Operating Income</b>	<b>\$ 368,845</b>	<b>\$ (1,298,093)</b>

<b>Audit</b>	<b>Nexus</b>	<b>Annual Seminar</b>	<b>Training</b>
\$ -	\$ -	\$ -	\$ -
\$ 4,321,557	\$ 817,253	\$ -	\$ -
\$ 4,321,557	\$ -	\$ -	\$ -
\$ -	\$ 817,253	\$ -	\$ -
\$ -	\$ -	\$ 6,138	\$ -
\$ -	\$ -	\$ 6,138	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 8,150
\$ -	\$ -	\$ -	\$ -
<b>\$ 4,321,557</b>	<b>\$ 817,253</b>	<b>\$ 6,138</b>	<b>\$ 8,150</b>

\$ 2,900,476	\$ 295,954	\$ -	\$ -
\$ 162,446	\$ 576	\$ 24,180	\$ -
\$ -	\$ -	\$ -	\$ -
\$ 22,866	\$ 2,333	\$ -	\$ -
\$ 21,183	\$ -	\$ -	\$ 1,178
\$ 22,623	\$ 505	\$ 137	\$ -
\$ -	\$ -	\$ -	\$ -
\$ 224	\$ -	\$ -	\$ -
\$ 24,826	\$ 1,538	\$ 4,737	\$ 377

<b>\$ 3,154,645</b>	<b>\$ 300,906</b>	<b>\$ 29,054</b>	<b>\$ 1,555</b>
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<b>\$ 1,166,912</b>	<b>\$ 516,347</b>	<b>\$ (22,916)</b>	<b>\$ 6,595</b>
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