

HB 2275 STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

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Meeting Dates: 4/25

WHAT THE MEASURE DOES:

Changes "business income" to "apportionable income" in accordance with recommendations from the Multistate Tax Commission (MTC). Applies to tax years beginning on or after January 1, 2018.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

BACKGROUND:

Corporation income is considered to be either allocated income or apportioned income. Under current law income that is apportioned across states is termed "business income". Allocated income is attributed to a specific source. The MTC has recommended the drafted change in terminology. The MTC is an organization of state tax agencies created in 1967 that promotes tax uniformity among states.