

**Contact**

**Houston**

1200 Smith Street, Suite 1400  
Houston, Texas 77002-4310  
Tel: 713.658.1818  
Fax: 713.658.2553

**Atlanta**

191 Peachtree Street, N.E.,  
Forty-Sixth Floor  
Atlanta, Georgia 30303  
Tel: 404.659.1410  
Fax: 404.659.1852

**Philadelphia**

300 Conshohocken State Road  
Suite 570  
West Conshohocken, PA 19428  
Tel: 610.772.2300  
Fax: 610.772.2305

**San Antonio**

112 East Pecan Street, Suite  
1450  
San Antonio, Texas 78205  
Tel: 210.253.8383  
Fax: 210.253.8384

## Panel Highlights Concerns with MTC Guidance on P.L. 86-272 Tax Notes

Jennifer Karpchuk's recent panel presentation quoted in the article, **Panel Highlights Concerns With MTC Guidance on P.L. 86-272**  
March 15, 2023

In a March 16 Tax Notes article highlighting the 2023 American Bar Association/Institute for Professionals in Taxation Advanced State Income Tax Seminar in New Orleans, Philadelphia-based State and Local Tax (S.A.L.T.) Practice Co-Chair Jennifer Karpchuk provides insight from a panel discussion on the Multistate Tax Commissions revised guidelines on P.L. 86-272.

The panelists noted that these guidelines have businesses questioning the taxability of activities conducted over the internet and whether or how states will adopt the guidelines.

The article mentions that panelists discussed that while businesses' use of the internet continues to evolve and becomes more complex, it has led to confusion over what taxes are due and where and is further complicated when states attempt to adopt the MTCs position on P.L. 86-272 on audit rather than through rulemaking procedures.

With each of these revisions, I think all of us up here would say they have tried to further limit the applicability and the scope of the federal laws protections, explained Karpchuk.

According to Karpchuk, the Supreme Courts 2018 decision in *South Dakota v. Wayfair Inc.* prompted the MTC to attempt to harmonize the language in *Wayfair* regarding nexus and internet activities with P.L. 86-272 and how the world has changed since 1959. The panel further explained that the updated guidance provides a list of activities that the MTC believes are no longer protected under the statute and specifically addresses internet activities.

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o learn more, subscribers may view the full article [here](#).