

## **Business Tax Reform Commission**

### **Charge of the Commission** (Senate Bill 2, 2007 Special Session)

- Review and evaluate the State's current business tax structure
- Make specific recommendations for changes to the business tax structure, including:
  - Rates
  - Base
  - Compliance
  - Elimination of ineffective tax policies intended as development incentives
- Commission's work should include a review and evaluation of the following:
  - Combined reporting for the corporate income tax
  - Imposition of other business taxes including gross receipts, value added, and alternative minimum taxes
  - Improved methods for evaluating the effectiveness of tax policies intended as economic development incentives
- Interim report due December 15, 2010
- Final report due December 15, 2011

### **Proposed Schedule**

#### 2009 Interim

- June - overview of current tax structure, comparison to other states, tax incentives
- July - detail on corporate income tax, combined reporting, combined reporting study
- September - detail on property taxes and sales tax
- October - detail on individual income tax on pass-through entities and tax incentives

#### 2010 Interim

- May - corporate income tax reforms (gross receipts tax, alternative minimum tax, base/rate changes), property tax reforms
- June - individual income tax reforms, sales tax reforms (base changes, VAT), incentive reforms
- July - public comment on corporate income tax reforms and tax incentives
- September - public comment on property taxes, sales tax, and individual income tax
- November - discussion of draft interim report (distributed earlier)