

Income/Franchise:

Federal: Bill Introduced in US House Seeks to Amend P.L. 86-272 by Defining Solicitation of Orders

H.R. 8021, introduced in US House of Representatives 4/16/24. Pending legislation known as the “Interstate Commerce Simplification Act of 2024” has been introduced in the US House of Representatives which, if enacted, would “amend Public Law 86 – 272 to expand the prohibition of State taxation relating to certain solicitation of orders.” Under this pending legislation, the phrase “solicitation of orders” is defined as “any business activity that facilitates the solicitation of orders even if that activity may also serve some independently valuable business function apart from solicitation.” According to a related press release from Congressman Scott Fitzgerald, who introduced this pending bill, the legislation is intended to “prevent states from applying their income tax to businesses who sell goods or services into a state but otherwise have no physical presence there.” Please contact us with any questions.

URL: <https://www.congress.gov/bill/118th-congress/house-bill/8021?q=%7B%22search%22%3A%228021%22%7D&s=1&r=1>

URL: <https://fitzgerald.house.gov/media/press-releases/fitzgerald-introduces-bill-protect-businesses-double-income-taxation>

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