

Multistate Tax Alerts

Throughout the week, we highlight selected developments involving state tax legislative, judicial, and administrative matters. The alerts provide a brief summary of specific multistate developments relevant to taxpayers, tax professionals, and other interested persons. Read the recent alerts below or visit the archive.

Archive: <https://www2.deloitte.com/us/en/pages/tax/articles/multistate-tax-alert-archive.html?id=us:2em:3na:stm:awa:tax>

Tennessee repeals franchise tax's alternative property base and authorizes refunds

On May 10, 2024, Tennessee Senate Bill 2103 (S.B. 2103) was enacted into law, eliminating the alternative property base provisions in the franchise tax law. As a result, beginning with tax years ending on or after January 1, 2024, the franchise tax in Tennessee will only be measured on a taxpayer's net worth apportioned to the State. S.B. 2103 also authorizes refunds for the difference between the franchise tax paid using the real and tangible property base and the franchise tax due using the apportioned net worth base for open tax years for taxpayers who properly file a refund claim on the forms prescribed by the Tennessee Department of Revenue between May 15, 2024 and November 30, 2024.

This Multistate Tax Alert provides taxpayer considerations now that this bill has been enacted.

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URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/multistate-tax-alert-tennessee-repeals-franchise-taxes-alternative-property-base-and-authorizes-refunds.pdf>

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