

Income/Franchise:

Oregon: US Supreme Court Denies Taxpayer's Petition to Review Whether its Activities Exceed P.L. 86-272 Protections

Docket No. 24-551, US (cert. denied 12/16/24). The US Supreme Court (Court) denied a manufacturer's request to review whether its in-state activities conducted via independent contractors were protected under P.L. 86-272 for Oregon corporate excise tax purposes in a case where the Oregon Supreme Court recently affirmed that the company's pursuit of "prebook orders" by its in-state representatives went beyond the scope of "solicitation of orders" and its in-state activities were *not de minimis* [see *State Tax Matters*, Issue 2024-26, for details on the 2024 Oregon Supreme Court decision].

URL: <https://www.supremecourt.gov/Search.aspx?FileName=/docket/docketfiles/html/public\24-551.html>

URL: https://dhub.deloitte.com/Newsletters/Tax/2024/STM/240628_10.html

In its filed petition, the taxpayer had asked the Court whether P.L. 86-272 immunity applies when it engages in otherwise protected activities in Oregon to solicit requests for orders from retailers if it also sends successfully solicited retailer requests for orders to wholesalers (*i.e.*, the taxpayer's customers) for wholesalers to accept and process, and, if ultimately fulfilled, to be fulfilled by the wholesaler (the taxpayer's customer) from the wholesaler's own inventory of product that it previously purchased from the taxpayer (*i.e.*, the wholesaler makes the sale to the retailer). Please contact us with any questions.

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