

Income/Franchise:

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

H.R. 427, introduced in US House of Representatives 1/15/25. Pending legislation known as the “Interstate Commerce Simplification Act of 2025” has been introduced in the US Senate 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.” Note that similar legislation was introduced in the US House of Representatives and Senate in 2024 [see H.R. 8021, introduced in US House of Representatives 4/16/24, and *State Tax Matters*, Issue 2024-18; and S.5158, introduced in US Senate 9/24/24, and *State Tax Matters*, Issue 2024-42, for more details on the 2024 legislation]. Please contact us with any questions.

URL: <https://www.congress.gov/bill/119th-congress/house-bill/427>

URL: <https://www.congress.gov/bill/118th-congress/house-bill/8021>

URL: https://dhub.deloitte.com/Newsletters/Tax/2024/STM/240503_2.html

URL: <https://www.congress.gov/bill/118th-congress/senate-bill/5158>

URL: https://dhub.deloitte.com/Newsletters/Tax/2024/STM/241018_1.html

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