

## HB 1 -- Taxation

Sponsor: Campbell

This bill makes various changes related to taxation. The bill:

(1) Modifies the way losses and operating expenses are deducted among parties for various types of property, including intellectual property. Minimum standards are established regarding what connections among various corporate entities constitute related parties and affiliated groups for multi-state corporate income tax purposes;

(2) Prohibits retailers from obtaining refunds of sales and use taxes without crediting the original purchasers, except for over-collections of less than \$1,000 to be refunded without the higher burden of returning the funds to the purchaser. The \$1,000 threshold is an aggregate sum over a five-year period;

(3) Eliminates the in-lieu tax on certain large boats or vessels documented with the United States Coast Guard. These boats and vessels will be subject to state and local sales and use taxes; and

(4) Eliminates the timely filing allowance for employers collecting and remitting state income tax withholdings.

The bill contains an emergency clause and will be effective on the first day of the month following its approval.