

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>

California provides guidance on tax basis capital accounts reporting requirements

On March 8, 2022, California's Franchise Tax Board (FTB) released FTB Notice 2022-01 to clarify the reporting requirements for the "Analysis of partner's tax basis capital account" on Schedule K-1 for tax year 2021 and subsequent years. As per the guidance provided, taxpayers filing form 565/568 may use federal tax basis for the 2021 tax year; however, for the 2022 tax year and beyond, tax basis must be calculated under California law.

URL: <https://www.ftb.ca.gov/tax-pros/law/ftb-notices/2022-01.pdf>

This Multistate Tax Alert summarizes some of the relevant provisions of FTB Notice 2022-01.

[Issued March 17, 2022]

URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-california-provides-guidance-on-tax-basis-capital-accounts-reporting-requirements.pdf>

Idaho adopts single sales factor and market sourcing apportionment

On March 16, 2022, Idaho Governor Brad Little signed into law House Bill 563 (H.B. 563), which enacts a single sales factor apportionment formula with market-based sourcing for sales other than sales of tangible personal property. The legislation also makes various other changes to Idaho Code § 63-3027, which provides the rules for calculating the taxable income of multistate corporations. The law takes effect for tax years beginning on or after January 1, 2022.

URL: <https://legislature.idaho.gov/wp-content/uploads/sessioninfo/2022/legislation/H0563.pdf>

This Multistate Tax Alert summarizes some of the relevant provisions of H.B. 563.

[Issued March 21, 2022]

URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-idaho-adopts-single-sales-factor-and-market-sourcing-apportionment.pdf>

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