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Agreement & Disagreement

Taxpayers' Federation of Illinois
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DISCLAIMER

- **We speak for ourselves.**
- **Our comments do not necessarily represent the views of our employers.**
- **Nothing in this presentation should be considered legal advice.**

MAJOR TAX LEGISLATION IN ILLINOIS

- GILTI
- Investee apportionment for sourcing gains
- Addback changes
- Joyce to Finnigan

INTERNATIONAL PROFIT SHIFTING

- What is to be done to preserve state tax bases?

ALTERNATIVE APPORTIONMENT

In the world of . . .

- Single sales factor apportionment
- Market based sourcing

P.L. 86-272

- **The MTC addresses non-solicitation activities conducted via the Internet**
- **State responses**
- **The California trial court decision**
- **What should Internet sellers be doing now?**

ADDRESSING THE CHANGING ECONOMY RESPONDING TO FEDERAL ACTIONS (OR NOT)

- Will Illinois tax more services/digital products?
- Role of revenue departments when legislatures do not update statutes
- Partnerships—The MTC project
- Federal spending cuts
- Tariffs

CUTS AT THE IRS

- **State implications**
- **Should states audit above the line?**

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- **RETHINKING THE ROLE OF COMMERCIAL DOMICILE IN ALLOCATING TAX RIGHTS**



CHICAGO BUDGET CHALLENGES