



## **State & Local Tax Challenges Facing Multistate Construction Companies**

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# Introductions

## Today's Presenters



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# Overview of SALT Challenges



# Overview of SALT Challenges

## Contract Type

- The type of contract can impact how a transaction should be taxed & who bears the burden & reporting responsibility
  - Lump Sum v. Time & Materials
  - Repair v. New Install
  - Commercial v. Residential
  - TPP v. RP

## Understanding Differences Among States

- While there are general rules that apply among many states, there are also several states that have very nuanced rules overall or for specific activities. Examples include:
  - Mississippi Contractor's Tax
  - Arizona Transaction Privilege Tax
  - North Carolina & New York (repair & maintenance services)

# Overview of SALT Challenges (cont.)

## Contractors That Are Most Impacted

- Contractors routinely entering new jurisdictions where they have never operated
- Contractors providing a variety of services that may have varying tax treatment
- Contractors serving special industry customer types:
  - Manufacturers
  - Nonprofits
  - Government agencies

## Sales Tax Risks for Contractors

- Over/underpaying tax
- Who holds the tax burden?
- Where is the tax due?

# Panel Discussion





# SALT Explorer Demo





# **SALT Explorer Discussion & Client Observations**



# SALT Explorer

## What's Next?





# Q&A





# Contact

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