States Adopting MTC Model: Federal Audit Adjustment Reporting

As of December 3, 2020

- **9 States** that have enacted legislation that generally follow the MTC Model (CA, GA, IA, MO, KY, OH, OR, VA, WV)
- **5 States** that have enacted legislation, but need improvement to more closely follow MTC Model (AZ, HI, IN, ME, RI)
- **4 States** with mandatory entity taxes on partnerships – may need to incorporate the general provisions of the MTC model statute but may not potentially need the specific election provisions of the MTC Model statute (CT, NH, NJ, TX)
- **27 States** that potentially need legislation
- **2 States** with 2020 pending legislation (MN, WI)

**Vermont**: H.B. 954 (2020) extended the requirement to notify the Commissioner within 180 days of a federal audit instead of 60 days; does not address partnership audits

**Ohio** only addressed the partnership audit issue at the state income tax level but not for the local income taxes

Sources: AICPA and COST