



American Institute of CPAs
1455 Pennsylvania Avenue, NW
Washington, DC 20004-1081

March 10, 2017

Honorable Robert W. Goodlatte
Chairman – House Committee on the Judiciary
2138 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Goodlatte:

On behalf of the 418,000 members of the American Institute of Certified Public Accountants (AICPA), I write to thank you for your current and past support of the Mobile Workforce State Income Tax Simplification Act. We also greatly appreciate you bringing the bill, H.R. 1393, before the Committee for a markup so early in the session.

As you know, this bill is critically important to thousands of CPA firms and many of their business clients, as well as the thousands of CPAs employed by companies. Small businesses are particularly impacted.

Thousands of CPA firms have employees who periodically work in states other than their home state. And these CPA firms have many business clients who have employees who work in more than one state for whom they calculate state tax withholding. CPAs employed by companies with multi-state operations are similarly affected. Because of the myriad of state income tax withholding laws, and varying de minimis exemption periods, compliance is extremely difficult and time consuming.

The bill would require that an employee's earnings would be subject to state income tax and withholding when the employee performs work in a state for more than 30 days during the calendar year. We believe that this is an appropriate balance. Having a uniform national standard will significantly simplify compliance with all of the different state laws. The bill will allow most employers to determine which employees will need to withhold income taxes in states other than their home state. This simplified compliance will significantly ease the regulatory burden on the employer and should enhance compliance when withholding is required.

The AICPA strongly supports the bill as it was introduced, and we respectfully request no amendments be accepted during markup.

Sincerely,

A handwritten signature in black ink, appearing to read "Barry C. Melancon". The signature is fluid and cursive, with a long horizontal stroke at the end.

Barry C. Melancon, CPA, CGMA
President and CEO