



# STATES OF AFFAIR

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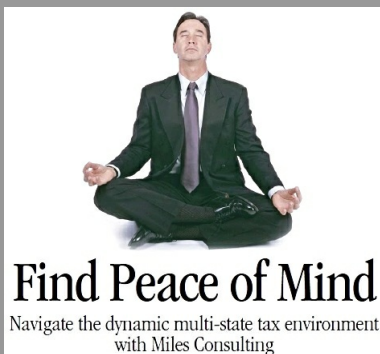
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Greetings!

July is a month of celebrations, most notably for our nation's birthday. Hopefully you spent your 4th of July enjoying BBQs, time outdoors with family, friends and enjoyed viewing legal fireworks. And perhaps some of those "fireworks" were successes for your business in the way of positive revenue streams or meeting new clients. The Rainmaker in me certainly hopes so!

Here's another reason to celebrate- upcoming "Sales Tax Holidays." Sales Tax Holidays occur in many areas of the country and often correspond with "back to school" sales. Read our article below to find out if there is one near you.

This month we also feature an article about how corporate controllers can think proactively about sales tax issues, "The Controller and Sales Tax Issues." And in a related article, we talk about the sales tax ramifications of an M&A deal. We also discuss some cool facts regarding Idaho.

Finally, I invite you to attend my Rainmaking workshop at the annual Accounting and Financial Women's Alliance Conference in Denver in October. You will learn techniques to solidify relationships with existing clients and build relationships with future clients. As a reminder, if you can't attend the Denver Conference, I also give rainmaking presentations customized for your business.

If you want to know more about any of the items in this month's e-newsletter or what we do at Miles Consulting, please [contact us](#).

All the best,  
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## **Hot State Tax News**

### **COMPANIES LOOKING TO BE ACQUIRED: WHY WORRY ABOUT SALES TAX?**

Although it may not seem like sales tax has much to do with mergers and acquisitions, the truth is, many deals have fallen apart because of multistate sales tax

issues. Controllers and CFOs who have seen the process first-hand know how messy the acquisition process can be - particularly if the target company's multistate tax issues (especially sales taxes) haven't been addressed.



#### **How Does Sales Tax Affect Mergers & Acquisitions?**

As a company looking to be acquired, it's important you work with a firm that specializes in this area; this can help you identify and mitigate some of the potential problems before the deal closes. If you're considering an acquisition in the next year or two, we highly suggest a nexus, taxability and potential exposure review prior to a bigger company calling and performing their own due diligence. This is definitely a case where knowledge is power!

[Click here to read more.](#)

### **CELEBRATING A "SALES TAX HOLIDAY!"**

What if you could walk into a store, buy something and not have to pay sales tax because the whole state does not impose a sales tax? Believe it or not, in some states that does happen.



Several states, mainly in the South and East, have these so-called "tax holidays." These holidays are targeted at specific goods. As we discuss below, during tax holidays specific items are exempted from the tax, only in certain states, and these holidays occur only on limited days. Very little is uniform in the multistate tax world.

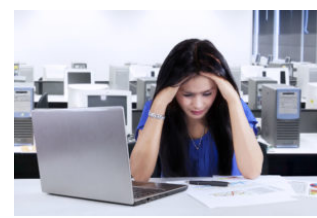
This is a hotly contested topic; the question up for debate is whether sales actually increase enough to offset the lost sales tax revenue.

[Click here to read more.](#)

### **THE CONTROLLER AND SALES TAX ISSUES**

If your company is set up like most, the sales tax burden probably becomes yet another area piled onto the already busy plate of the corporate controller; this is especially true at small and middle market businesses. These organizations often don't have a tax department that

includes sales tax, so all accounting-related matters fall to the controller. He or she is usually a financial accounting person and probably doesn't enjoy dealing with tax anyway, but now they are stuck with trying to figure out the complications of sales tax.



### **What About a Company that Hires a CPA Firm?**

Although many businesses hire an outside CPA firm to assist with tax returns, these firms often don't have the skill set to deal with sales tax matters beyond filing in-state returns. We find that many smaller CPA firms don't specialize in sales tax consulting, which includes nexus, taxability across state lines, potential exposure analysis, etc. That said, the controller may think that the accounting firm has it taken care of (and vice versa). This is a dangerous position for the company.

[Click here to read more.](#)

## **STATE OF THE MONTH- IDAHO**

Known for its mountainous landscapes, vast swaths of protected wilderness and outdoor recreation areas, Idaho is bigger than all of the New England states combined. Boise, the capital and largest city, is set in the Rocky Mountain Foothills and is bisected by the Boise River, a popular destination for rafting and fishing.



Although Idaho is best known for its great fishing, other outdoor recreational adventures attract people to mountain biking at the Schweitzer Mountain Resort, and jet boating on the Snake River. Rafting and Kayaking are also popular activities. Idaho is ranked number one in the U.S. and in the world for whitewater adventures by Outdoors Magazine. And for something on the calmer side, excellent golf courses await throughout Idaho. Idaho has more than 100 golf courses nestled amongst the gorgeous Idaho landscape.

[Click here to read more.](#)

## **What's Up at Miles Consulting?**

### **Speaking:**

Monika will be presenting a workshop at the annual conference for the Accounting and Financial Women's Alliance in October in Denver. It will be about Jumpstart Your Rainmaking.

[For more information about the conference, click here.](#)

Monika will be giving a webinar on Monday, November 14 through CPA Academy, titled "Sales Tax Hot Topics for CPAs- SALT Issues Affecting your Clients Today." [Click here to find out how to register for the event.](#)

**Networking:**

[NAWBO SV](#)- As the National Association of Women Business Owners President, Monika invites you to their invigorating monthly meeting on August 16th. Margaret Graziano will be presenting about Conscious Hiring. [Click here for a calendar of events.](#)

[AFWA](#) - As a member of the Accounting & Financial Women's Alliance, Monika invites you to participate in the next membership meeting on Tuesday, July 26. Doris Pickering will be speaking about how to "Become a Better Speaker FAST." [Click here for more information about the meeting.](#)

**Educating:**

Don't forget - we do customized multi-state tax presentations for local accounting firms; invite us to do one at your firm! Stay tuned for upcoming webinars!

For more information, please call us at 408-266-2259.

**About Miles Consulting**

*Miles Consulting Group is a professional services firm specializing in multi-state tax solutions. We address state and local tax issues for our clients, including general state tax consulting, nexus reviews, credits and incentives maximization, income tax and sales/use tax planning, and other special projects. We also specialize in California tax credits and incentives. For more information visit, [www.milesconsultinggroup.com](http://www.milesconsultinggroup.com).*