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## Income/Franchise:

### Georgia: Amended Rule Reflects State Law Permitting Some Affiliates to File Consolidated Income Tax Return

*Amended Rule 560-7-3-.13 Consolidated Returns*, Ga. Dept. of Rev. (2/25). The Georgia Department of Revenue (Department) amended its state corporate income tax rule pertaining to consolidated returns, reflecting legislation enacted in 2022 [see H.B. 1058 (2022), and previously issued Multistate Tax Alert for more details on this 2022 legislation] that authorizes some Georgia affiliated corporations to elect filing their Georgia income tax returns on a consolidated basis and provides that such election generally is irrevocable and binding on both the Department and electing Georgia affiliated group for a period of five years. The changes address how to make and terminate the Georgia consolidated return election, as well as compute underlying Georgia corporate income tax liability. The amended regulation applies to taxable years beginning on or after January 1, 2023. Please contact us with any questions.

URL: <https://dor.georgia.gov/taxes/tax-rules-and-policies/income-tax-regulations>

URL: <https://www.legis.ga.gov/legislation/61411>

URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-georgia-enacts-elective-consolidated-filing-for-affiliated-corporations.pdf>

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## Income/Franchise:

### Ohio BTA Denies Relief to Taxpayer Challenging Validity of Financial Institution Tax Rate Structure

*Case No. 2022-1361*, Ohio Bd. of Tax App. (2/20/25). In a case involving an out-of-state headquartered financial institution claiming that the Ohio financial institution tax (FIT) rate structure fails the internal consistency test established by the US Supreme Court for use in certain Commerce Clause cases, the Ohio Board of Tax Appeals (Board) held that because constitutional questions permeated *all* of the taxpayer's arguments in this case such that the remedy sought "cannot be uncoupled from the constitutional question," it was unable to grant the taxpayer's requested refund relief as it lacks jurisdiction to adjudicate constitutional questions. In doing so, the Board rejected the taxpayer's argument that the Board nevertheless could grant an alternative apportionment method without officially deciding any constitutional questions, concluding that

“because the harm alleged is a constitutional violation, we decline to implicitly opine on a constitutional question by using the cannon of constitutional avoidance.” The Board also commented that the situation may have been different if the taxpayer “had not waived non-constitutional claims that could serve as an independent basis for an alternative method,” and noted that Ohio statutes provide for an alternative apportionment rather than an alternative rate structure. In the case, the taxpayer had sought a refund of FIT it paid for tax years 2016 through 2020 where it was taxed at 0.8% for the entire period because its total Ohio equity capital never exceeded \$200 million, and argued among its other claims, that the FIT’s rate structure violates the Commerce Clause. Please contact us with any questions.

**URL:** <https://ohio-bta.modria.com/casedetails/525564>

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## Income/Franchise:

### West Virginia: New Law Generally Updates State Conformity to Internal Revenue Code

*H.B. 2025; H.B. 2024*, signed by gov. 2/24/25. Effective from passage, new law generally adopts all amendments made to federal law after December 31, 2023, but prior to January 1, 2025, for West Virginia corporation net income and personal income tax purposes “to the same extent those changes are allowed for federal income tax purposes, whether the changes are retroactive or prospective.” However, “no amendment to the laws of the United States made on or after January 1, 2025, shall be given any effect.” The law provides that these amendments are retroactive to the extent allowable under federal income tax law, and it also states that “with respect to taxable years that began prior to January 1, 2025, the law in effect for each of those years shall be fully preserved as to that year” except as otherwise provided. Please contact us with any questions.

**URL:** [https://www.wvlegislature.gov/Bill\\_Status/bills\\_history.cfm?INPUT=2025&year=2025&sessiontype=RS](https://www.wvlegislature.gov/Bill_Status/bills_history.cfm?INPUT=2025&year=2025&sessiontype=RS)

**URL:** [https://www.wvlegislature.gov/Bill\\_Status/bills\\_history.cfm?INPUT=2024&year=2025&sessiontype=RS](https://www.wvlegislature.gov/Bill_Status/bills_history.cfm?INPUT=2024&year=2025&sessiontype=RS)

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## Sales/Use/Indirect:

### Colorado: Letter Ruling Addresses Sourcing Sale of Goods Involving Third-Party Shipping Company

*Private Letter Ruling – PLR 24-008*, Colo. Dept. of Rev. (12/30/24). A Colorado Department of Revenue private letter ruling involving the sale of goods concludes that, under state law, such a sale is sourced for sales and use tax purposes to the known location of the purchaser when the purchaser arranged for and hired a third-party shipping company to take possession of the property at the seller's business location and deliver it to the purchaser, rather than sourced to the seller's business location. Please contact us with any questions.

**URL:** <https://tax.colorado.gov/sites/tax/files/documents/PLR-24-008.pdf>

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## Multistate Tax Alerts

Throughout the week, we highlight selected developments involving state tax legislative, judicial, and administrative matters. The alerts provide a brief summary of specific multistate developments relevant to taxpayers, tax professionals, and other interested persons. Read the recent alerts below or visit the archive.

**Archive:** <https://www2.deloitte.com/us/en/pages/tax/articles/multistate-tax-alert-archive.html?id=us:2em:3na:stm:awa:tax>

*No new alerts were issued this period. Be sure to refer to the archives to ensure that you are up to date on the most recent releases.*

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