

IS A VOLUNTARY DISCLOSURE PROGRAM RIGHT FOR YOU?

Practical Considerations

Hodgson Russ works with taxpayers who are considering a Voluntary Disclosure Program to analyze their business operations and infrastructure in order to determine:

- ▶ Where does the taxpayer have physical presence nexus?
- ▶ Where has the taxpayer established economic nexus?
- ▶ What are the taxpayer's revenue sources?
- ▶ In which states are the taxpayer's sales subject to sales and use tax?
- ▶ Is there exposure for related tax types?

Hodgson Russ then assists taxpayers in coordinating their applications and managing the disclosure process, including:



Quantifying exposures



Timing applications



Organizing, monitoring, and prioritizing deadlines



Reviewing final agreement terms

What it Looks Like

Day 1:
Submit
Application

- Anonymous application?
- Mandatory application forms
- Paper vs. online
- Avoid registrations outside of VDAs



Day 30-60:
Application
Accepted

- Review VDA terms
- Identify deadlines
- Plan compliance (data/payment) timeline



Day 60-120:
Registration /
VDA / Data /
Tax Payment
Due

- Disclose identity
- Ensure data is available



Day 90-180:
Interest
Payment Due

- Complete final housekeeping
- Implement go-forward compliance