[Company Name]
[Address Line 1]
[City, State, Zip Code]
[Date]

[Recipient Name]
[Title]
[Organization]
[Address Line 1]
[City, State, Zip Code]

RE: Advisory Regarding State Apportionment Factor Changes

Dear [Recipient Name],

We are writing to advise you of significant changes regarding the state apportionment factors that may impact your corporate income tax liability for the upcoming filing period.

As state tax jurisdictions continue to transition their methodologies, we have identified the following shifts in how your business income is allocated:

- **Market-Based Sourcing:** Updates to how service revenue is assigned based on the location of the customer rather than where the work is performed.
- **Single-Sales Factor Weighting:** A shift toward weighing the sales factor at 100%, diminishing the impact of property and payroll factors.
- **Nexus Thresholds:** Changes in economic nexus standards that may trigger filing requirements in new jurisdictions.

The impact of these changes may result in a shift in your effective state tax rate. We recommend a review of your current nexus footprint and sales distribution data to ensure accurate tax provisioning and to identify potential mitigation strategies.

Please contact our tax department at [Phone Number] or [Email Address] to schedule a formal review of your apportionment data.

Sincerely,

[Your Name]
[Your Title]
[Company Name]