



TaxNewsFlash

United States

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KPMG reports: California (manufacturing exemption); Ohio (nexus); Washington State (internet sourcing)

KPMG's This Week in State Tax—produced weekly by KPMG's State and Local Tax practice—focuses on recent state and local tax developments.

- **California:** Legislation includes provisions to extend and expand the state's partial sales and use tax exemption for manufacturing and R&D equipment. The partial exemption applies to purchases of qualified tangible personal property used primarily (more than 50%) in certain manufacturing, processing, biotechnology, and R&D activities.
- **Ohio:** The Board of Tax Appeals concluded that goods picked up in Georgia and later transported to Ohio were Ohio-sitused for purposes of the commercial activity tax (CAT) economic nexus rules.
- **Washington State:** A state hearing officer found that U.S. population data (instead of internet-user population data) to be a better proxy for sourcing receipts from internet advertising for purposes of the B&O tax.

Read more at KPMG's [*This Week in State Tax*](#)

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