



TaxNewsFlash

United States

No. 2017-464
October 23, 2017

KPMG reports: Illinois (manufacturing exemption); Maryland (employee activities); New York (sales tax refunds)

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.

- **Illinois:** The state's independent tax tribunal held that metallurgical coke used in manufacturing zinc powder is not exempt from use tax.
- **Maryland:** The state's tax court, finding that the activities of the taxpayer's employees served a business purpose other than requesting orders, held that a seller of pet products and food was not protected from taxation under Public Law 86-272, and therefore was not entitled to a refund of corporate income tax.
- **New York:** An administrative law judge concluded that a taxpayer (providing securities rating services) did not establish that it had paid sales tax on behalf of customers and was thus denied sales tax refunds.

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

The information contained in TaxNewsFlash is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230, as the content of this document is issued for general informational purposes only, is intended to enhance the reader's knowledge on the matters addressed therein, and is not intended to be applied to any specific reader's particular set of facts. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. Applicability of the information to specific situations should be determined through consultation with your tax adviser.

KPMG International is a Swiss cooperative that serves as a coordinating entity for a network of independent member firms. KPMG International provides no audit or other client services. Such services are provided solely by member firms in their respective geographic areas. KPMG International and its member firms are legally distinct and separate entities. They are not and nothing contained herein shall be construed to place these entities in the relationship of parents, subsidiaries, agents,

partners, or joint venturers. No member firm has any authority (actual, apparent, implied or otherwise) to obligate or bind KPMG International or any member firm in any manner whatsoever.

Direct comments, including requests for subscriptions, to [Washington National Tax](#). For more information, contact KPMG's Federal Tax Legislative and Regulatory Services Group at + 1 202.533.4366, 1801 K Street NW, Washington, DC 20006-1301.

To unsubscribe from TaxNewsFlash-United States, reply to [Washington National Tax](#).

[Privacy](#) | [Legal](#)