



# TaxNewsFlash

## United States

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### **KPMG reports: Arkansas (use tax); Georgia (federal tax conformity); Indiana (manufacturing exemption); Ohio (service contracts)**

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.

- **Arkansas:** The state's Supreme Court held that a fast-food retailer that provided free meals to its managers must pay an amount of use tax based on the retail value of the prepared meals (and not on the cost of the raw food ingredients).
- **Georgia:** House Bill 918 (signed into law on March 2, 2018) includes federal tax conformity measures and also a reduction in the rate of corporate income tax from 6% to 5.75%, effective for tax years beginning on or after January 1, 2019.
- **Indiana:** The Department of State Revenue concluded that equipment purchased for use in constructing and operating a wind farm qualified for the state's manufacturing tax exemption.
- **Ohio:** The Board of Tax Appeals concluded that for purposes of the "commercial activity tax," receipts from the sales of service contracts on security monitoring service contracts to an entity that had its principal place of business outside the state were properly situated to Ohio.

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

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