



# TaxNewsFlash

## United States

No. 2018-173  
April 30, 2018

### **KPMG reports: California (sourcing, intangibles); Maryland (apportionment); New York (telecommunications exemption); Pennsylvania (IRC section 965)**

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:** The Franchise Tax Board is considering amendments to a draft regulation concerning market-based rules for sales other than sales of tangible personal property.
- **Maryland:** Legislation phasing in single-sales factor apportionment for certain Maryland corporate taxpayers has been enacted.
- **New York:** The Division of Tax Appeals ruled that computer hardware and software purchased for managing customer accounts and performing billing functions did not qualify for the state's telecommunications equipment sales and use tax exemption.
- **Pennsylvania:** The Department of Revenue issued guidance on the commonwealth's corporate and individual income tax treatment of amounts required to be included in income under IRC section 965 (as enacted by federal tax law in December 2017).

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](#)