KPMG

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KPMG reports: Alabama (no rental tax, tailgating services); Arkansas (federal tax conformity); New Jersey (business interest deduction); New York (GILTI)

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.

- **Alabama:** The state's tax tribunal held that a taxpayer providing "tailgating operations" at college football games was not subject to rental tax because: (1) the customers lacked "control or dominion" over the items provided by the taxpayer; and (2) the taxpayer essentially was providing a service.

- **Arkansas:** House Bill 1953 (signed by the governor) updates and conforms various Arkansas tax law provisions to the Internal Revenue Code (IRC) as in effect on January 1, 2019. The state law provisions were revised as a result of the federal tax law enacted in 2017.

- **New Jersey:** The Division of Taxation issued guidance on the computation of the IRC section 163(j) limitation on the deduction of business interest for New Jersey purposes. The state guidance observes that under federal proposed regulations, taxpayers filing a federal consolidated return generally are to be treated as one taxpayer for purposes of computing the IRC section 163(j) limitation on the deduction of business interest.

- **New York:** Legislation that includes measures from the governor's executive budget has been signed into law. For corporations, the new law addresses certain state tax law aspects of the 2017 federal tax law including measures concerning global intangible low-taxed income (GILTI). The legislation also extends the top individual income tax rate of 8.82% through 2024.

Read more at KPMG's ***This Week in State Tax***

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