



TaxNewsFlash

United States



No. 2020-098
March 2, 2020

KPMG reports: Florida (online platform); Louisiana (property tax exemptions); New Jersey (combined reporting); Washington State (sales tax)

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.

- **Florida:** The Department of Revenue issued guidance concluding that fees that a technology company charged for access to its online platform are to be sourced to the customer's billing address. Under Florida law, an income-producing activity test is applied to source receipts from other-than-tangible personal property. The Department reviewed decisions from court cases in other states to observe that receipts from sales of services typically were sourced to the state where the customer resides (on the basis that the direct sale to the customer at the customer's domicile is where the income-producing activity occurred). Thus, fees for access to the taxpayer's platform were presumed to be sourced to the customer's billing address: Read a [March 2020 report](#)
- **Louisiana:** The Board of Commerce and Industry passed a resolution to allow appeals under the industrial tax exemption program (ITEP) (a program under which, property tax abatements are granted to certain manufacturers). In 2016, the governor issued an executive order that granted localities the authority to approve or deny ITEP projects within their jurisdictions, with an intention to give local governments a voice with respect to which economic development projects occur within their parishes. The recent resolution allows taxpayers that have their ITEP applications denied by a local governing body to appeal directly to the board. Read a [March 2020 report](#)
- **New Jersey:** The Division of Taxation issued guidance explaining the eligibility requirements for the net deferred tax liability deduction. New Jersey's combined reporting provisions allow a deduction as tax relief if a publicly traded company is adversely affected by the state's implementation of combined reporting. The guidance answers a number of questions concerning the deduction and also provides that taxpayers must complete new Form DT-1 on or before July 1,

2020 (which is expected to be available online no later than April 1, 2020). Read a [March 2020 report](#)

- **Washington State:** The Department of Revenue denied sales tax refunds requested by two taxpayers that sold tickets to 4-D rides. Purchases of the ride tickets were not taxable retail sales, but the taxpayers had remitted retail sales tax to the Department of Revenue. However, despite evidence that customers were not charged sales tax, the refunds were denied because the taxpayers' shared website indicated that sales tax was included in the sales price of a ticket. Read a [March 2020 report](#)

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](#)