



TaxNewsFlash

United States



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KPMG reports: Arkansas (working remotely); Colorado (sales tax, gift wrapping); Virginia (web-blog)

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:** A legal opinion from the Arkansas Revenue Legal Counsel concludes that an out-of-state individual working remotely as a computer programmer for an Arkansas-based company was subject to Arkansas income tax. The employee had lived in Arkansas when she began her employment, but later moved to Washington State where she continued to perform her same duties remotely. Under Arkansas law, income received by a nonresident is taxable if that person carries on a business, trade or occupation within the state. The Arkansas legal counsel concluded that the employee was carrying on an occupation in Arkansas, albeit from an out-of-state location, and was required to pay Arkansas individual income tax. Read an [April 2020 report](#)
- **Colorado:** The Department of Revenue issued a general information letter addressing application of sales and use tax to gift wrapping services. In the Department's view, the "ultimate purpose" in paying for gift wrapping was to obtain decorative packaging for a product and that this decorative packaging was tangible personal property, and not a service. Read an [April 2020 report](#)
- **Virginia:** The Department of Taxation determined that a web-blog was not a newspaper, magazine or newsletter eligible for an exemption from the business, professional and occupational license (BPOL) tax. Read an [April 2020 report](#)

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