



TaxNewsFlash

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KPMG reports: Alabama (banks); Arkansas (digital goods); Pennsylvania (software); Virginia (tax amnesty)

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 bank taxpayer can deduct dividends paid to it by an Alabama-organized real estate investment trust (REIT) for purposes of the bank's computation of its financial institution excise tax.
- **Arkansas:** The governor signed House Bill 1162 that revises the rules for sales tax imposed on digital goods and codes, candy, and soft drinks. "Specified digital products" means digital audio works, digital audio-visual works, and digital books transferred electronically. "Digital codes" are codes that provide a purchaser with a right to obtain one or more specified digital products
- **Pennsylvania:** The Department of Revenue issued guidance concerning canned software. The sales tax base was expanded to apply to digital goods and software (including canned software support services).
- **Virginia:** House Bill 2246 would establish a tax amnesty program.

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

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