TaxNewsFlash

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KPMG reports: Indiana (manufacturing exemption); New Hampshire (corporate rates); Washington State (online retailer)

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.

- **Indiana:** The Department of Revenue issued a "Letter of Findings," determining that repair parts purchased for soft drink machines qualified for the state's manufacturing exemption.
- **New Hampshire:** Newly enacted legislation reduces the rate of the business profits tax (BPT) to 7.7% for tax periods ending on or after December 31, 2019, and to 7.5% for tax periods ending on or after December 31, 2021. The business enterprise tax (BET) rate is reduced to 0.6% for tax periods ending on or after December 31, 2019, and to 0.5% for tax periods ending on or after December 31, 2021.
- **Washington State:** An administrative law judge found that activities of a wholesale affiliate with Washington nexus—e.g., an independent representative in the state soliciting sales from third-party retailers as well as having an employee in the state interacting with customers—did not create nexus for an online retailer.

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