



TaxNewsFlash

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KPMG reports: New York (captive insurance); New York (internet access); Texas (apportionment); Washington State (real estate excise 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.

New York: The state's tax appeals tribunal held that a taxpayer was not entitled to deduct premiums paid to a captive insurance subsidiary in computing New York entire net income for the tax years at issue.

New York: A state trial court remanded a refund proceeding to a state tribunal, in a case concerning claims for refunds of sales and use taxes erroneously collected on charges for internet access.

Texas: The Comptroller's office announced a revised position—that applies for all open years—concerning the inclusion of net operating losses in the apportionment factor, thereby applying the holding of a decision of the Texas Supreme Court (taxpayer not required to include a net loss resulting from the sale of an investment in computing its apportionment factor).

Washington State: A tax review officer concluded that the real estate excise tax owed on a 2015 transfer of a 50% interest in a limited liability company (LLC) that in turn owned real property was based on the property's assessment value in 2014 (for which taxes were due in 2015), but that the transfer was subject to the full amount of the real estate excise tax.

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

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