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KPMG reports: Alabama (group losses); Illinois (financing entities); Massachusetts (internet vendors)

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:** A state appeals court held that losses can be shared among affiliated group members. In this case, the losses were generated by a parent company before the filing of a consolidated return, and the taxpayer was allowed to use the losses to offset the income of related entities in a later year, when a consolidated return was filed.

- **Illinois:** A state tax tribunal determined that insurance premium financing entities were sales finance companies, and not general corporations (for purposes of the unitary combined group rules).

- **Massachusetts:** A regulation addressing nexus for vendors making internet sales (830 CMR 64H.1.7) has been filed with the Secretary of State's office and is expected to be published in the Massachusetts Register on September 22, 2017. Vendors subject to the rule are required to begin collecting sales and use taxes starting October 1, 2017, if during the preceding 12 months (from October 1, 2016, to September 30, 2017) they had in excess of $500,000 in Massachusetts sales from transactions completed over the internet and made sales resulting in a delivery into Massachusetts in 100 or more transactions.

Read more at KPMG's ***This Week in State Tax*** accurate in the future. Applicability of the information to specific situations should be determined through consultation with your tax adviser.

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