



TaxNewsFlash

United States

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KPMG reports: Arkansas (tangible property sales); Colorado (combined returns); Mississippi (economic nexus); Pennsylvania (subscription fees)

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:** The taxpayer (a dog breeder) was assessed for failing to collect sales and use tax on sales of tangible personal property (puppies), and the assessment was not barred under claims of estoppel with respect to a previously issued opinion.
- **Colorado:** A state appeals court affirmed a lower court decision that a domestic holding company was not included in a taxpayer's Colorado combined report for the years at issue. The taxpayer owned a domestic holding company that in turn owned four foreign companies. The four foreign subsidiaries conducted no business within the United States, and had made check-the-box elections to be disregarded as separate legal entities. Thus, for federal income tax purposes, the holding company and the four subsidiaries were treated as a single C corporation.
- **Mississippi:** The Department of Revenue finalized a regulation that adopts an economic nexus standard for remote sellers with respect to sales and use tax.
- **Pennsylvania:** The Department of Revenue recently added a prospective enforcement date to a letter ruling that addresses the taxability of subscription fees for "information retrieval products."

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

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