



# TaxNewsFlash

## United States

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### **KPMG reports: Arkansas (pollution control); California (surgical instruments); Ohio (tax amnesty); Pennsylvania (penalty assessments)**

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:** Coal used by the taxpayer to operate pollution-control equipment was not exempt from sales and use tax under provisions that allow an exemption for purchases of pollution-control machinery and equipment. A hearing officer concluded only chemicals that acted directly on air or water to remove or alter impurities qualified for the exemption. The state taxing authority sustained this determination was sustained administratively.
- **California:** The State Board of Equalization determined that no use tax applied when the taxpayer made conditional gifts of certain surgical instruments because (1) the customers essentially received title when they received the instruments; and (2) the instruments were shipped from outside California, so that the gifts were completed outside of the state.
- **Ohio:** A tax amnesty program began January 1, 2018.
- **Pennsylvania:** The Department of Revenue announced that it will be mailing non-participation penalty assessments to delinquent taxpayers that failed to participate in a 2017 tax amnesty program.

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

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