



TaxNewsFlash

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KPMG reports: Michigan (IRC section 965); Pennsylvania (use tax); multiple states (economic nexus, sales and use 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.

- **Michigan:** The Department of Treasury issued preliminary guidance on the state corporate income tax treatment of “mandatory repatriation” pursuant to IRC section 965 income and “global intangible low-taxed income (GILTI).
- **Pennsylvania:** The Department of Revenue issued a letter ruling that concludes that two taxpayers did not meet the definition of a “referrer” and therefore were not subject to use tax notice and reporting requirements as specified under the recently enacted Marketplace Sales Act. Under the legislation, effective for transactions occurring after March 31, 2018, if a business qualifies as a “referrer,” it must make an election either to collect sales tax or to comply with use tax notice and reporting requirements.
- **Multistate:** Several states—including Illinois, Louisiana, Hawaii, and Connecticut—are in the process of either implementing or finalizing the adoption of economic nexus standards for sales and use tax purposes.

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

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