



TaxNewsFlash

United States

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KPMG reports: California (unclaimed property); Kentucky (GILTI); North Dakota (repatriation); Texas (apportionment); Texas (legal support services)

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.

- **California:** The Superior Court for San Francisco County declared two unclaimed property compliance requirements invalid and enjoined the State Controller's Office from enforcement.
- **Kentucky:** The Department of Revenue issued guidance on the state's treatment of global intangible low-taxed income (GILTI) noting that GILTI is considered nontaxable income for Kentucky income tax purposes.
- **North Dakota:** The North Dakota Commissioner of Revenue addressed the state's treatment of Code section 965 income, GILTI, foreign-derived intangible income (FDII), and base erosion anti-abuse tax (BEAT).
- **Texas:** A Texas district court ruled in a taxpayer's favor in a case addressing how a taxpayer should apportion its subscription revenue. The court concluded that Texas uses an origin-based method and the apportionment factors reported on the original return were consistent with the fair value of the taxpayer's services performed in Texas.
- **Texas:** The Texas Comptroller ruled that a lump-sum monthly charge for certain legal support services was subject to sales and use tax.

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

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