



TaxNewsFlash

United States



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KPMG reports: Colorado (retail delivery fees form);
Kansas (sales tax on passed-through costs);
Vermont (proposed corporate income tax changes);
multiple states (sales tax legislative updates)

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.

- **Colorado:** The state tax authority issued the form that will be used to report the new \$0.27 retail delivery fee that Colorado-licensed retailers will need to begin collecting on July 1, 2022, from purchasers on every retail sale of tangible personal property that is delivered by a motor vehicle to a purchaser in Colorado. The state tax authority also confirmed that all holders of a Colorado retail license that have remitted sales tax after January 1, 2021, will automatically be registered for the fee.
- **Kansas:** A state appeals court held that a construction contractor was required to collect and remit sales tax on amounts related to the cost of rented construction equipment used in providing its services that it passed through to its customers.
- **Vermont:** A conference committee report would implement significant corporate income tax changes, including moving the state to single-sales factor apportionment and repealing the throwback rule; migrating the state from the *Joyce* apportionment method to the *Finnigan* method, including certain domestic corporations with significant foreign operations in the Vermont unitary group; and revising the state's corporate minimum tax.
- **Multiple states:**
 - **Florida:** Recently enacted legislation creates new temporary sales and use tax exemptions and new sales tax holidays for specific types of goods. The state tax authority recently issued guidance on the new holidays and exemptions, which will be implemented at various times in 2022.

- **Georgia:** House Bill 1291 revises the sales tax exemption that is available to certain high technology companies that make at least \$15 million of qualifying purchases of computer equipment.
- **Kansas:** House Bill 2106 (effective January 1, 2023) reduces the state sales and compensating use tax rate on food and food ingredients from 6.5% to 4%. The rate will be further reduced to 2% on January 1, 2024, and reduced to 0% on January 1, 2025. Sales of food and food ingredients will continue to be subject to sales taxes imposed by cities and counties, as well as the taxes imposed by Washburn University.

Read a [May 2022 report](#) prepared by KPMG LLP

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