



TaxNewsFlash

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KPMG reports: California (unclaimed property); Colorado (real estate sales and receipts factor); Florida (costs of performance sourcing rule); Louisiana (sales and use tax informational report); Montana (single receipts factor)

KPMG This Week in State Tax—produced weekly by the KPMG State and Local Tax practice—focuses on recent state and local tax developments.

- **California:** The Controller’s website was updated to provide details of the recently established unclaimed property voluntary compliance program (VCP), including a form for interested holders to start the process of applying for participation in the VCP.
- **Colorado:** The state tax authority issued a private letter ruling concluding that proceeds from real estate sales were not included in the receipts factor because although the taxpayer was regularly engaged in the rental of real estate, it rarely sold properties. However, because the two properties sold were related to the operation of the taxpayer’s trade or business, the income arising from the sale of the two properties was apportionable income.

- **Florida:** A circuit court held in the taxpayers' favor that the costs of performance sourcing rule applied based on the transactions and activities of the taxpayer, not the activities of the taxpayer's customers.
- **Louisiana:** State tax authorities submitted an informational report to the state legislature addressing the feasibility of creating a centralized processor of state and local sales and use tax, and collecting and distributing local sales and use tax revenues on a daily basis.
- **Montana:** Recently enacted Senate Bill 124 provides that all apportionable income will be sourced to Montana by use of a single receipts factor, effective for tax years beginning after December 31, 2024.

Read a [March 2023 report](#) prepared by KPMG LLP

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