



TaxNewsFlash

United States

No. 2016-452
October 10, 2016

KPMG reports: California (video streaming); California (start-ups); Missouri (airline meals); Puerto Rico (sales 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.

- **California:** Some 45 cities and local jurisdictions are reportedly exploring the possibility of taxing streaming video services and “over-the-top” television services under the existing “utility users tax.”
- **California:** The Franchise Tax Board issued a release that addresses how to apportion losses generated in early years when a company—such as a start-up—has no sales.
- **Missouri:** The Missouri Supreme Court held that sales of frozen meals to commercial airlines did not qualify for the reduced sales tax rate imposed on certain sales of food.
- **Puerto Rico:** Beginning October 31, 2016, a new electronic web-based platform system will replace the current sales and use tax electronic system (known as PICO).

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

The information contained in TaxNewsFlash is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230, as the content of this document is issued for general informational purposes only, is intended to enhance the reader's knowledge on the matters addressed therein, and is not intended to be applied to any specific reader's particular set of facts. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. Applicability of the information to specific situations should be determined through consultation with your tax adviser.

KPMG International is a Swiss cooperative that serves as a coordinating entity for a network of independent member firms. KPMG International provides no audit or other client services. Such services are provided solely by member firms in their respective geographic areas. KPMG International and its member firms are legally distinct and separate entities. They are not and nothing contained herein shall be construed to place these entities in the relationship of parents, subsidiaries, agents, partners, or joint venturers. No member firm has any authority (actual, apparent, implied or otherwise) to obligate or bind KPMG International or any member firm in any manner whatsoever.

Direct comments, including requests for subscriptions, to [Washington National Tax](#). For more information, contact KPMG's Federal Tax Legislative and Regulatory Services Group at +1 202.533.4366, 1801 K Street NW, Washington, DC 20006-1301.

To unsubscribe from TaxNewsFlash-United States, reply to [Washington National Tax](#).

[Privacy](#) | [Legal](#)