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KPMG report: Domestic production activities deduction, retail food and beverage sales

The domestic production activities deduction of section 199 does not apply to gross receipts derived from the sale of food or beverages prepared by the taxpayer at a retail establishment. Despite this facially broad exclusion, however, many retail food and beverage sales do in fact produce qualifying income entitling the taxpayer to this potentially valuable deduction.

The concepts discussed in this KPMG report are not new, but hopefully will assist companies seeking to freshen their section 199 positions and identify previously overlooked benefits.

Read an [October 2016 report](#) [PDF 96 KB] prepared by KPMG LLP: *What's News in Tax: Revisiting the Domestic Production Activities Deduction for Retail Food and Beverage Sales*

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