



TaxNewsFlash

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KPMG reports: Florida (sales tax rate on use of real property); Pennsylvania (sales tax on SaaS); New York (challenge to P.L. 86-272 regulations)

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

- **Florida:** The Florida Department of Revenue reminded taxpayers that the state sales tax imposed on the total rent charged for renting, leasing, letting or granting a license to use real property will be reduced from 4.5% to 2% effective June 1, 2024.
- **Pennsylvania:** The Pennsylvania Board of Finance and Revenue concluded that service and payment processing fees charged by a ticketing and marketing platform that allowed event organizers to list, advertise, and sell admissions to their events live and virtual events were subject to sales tax as software as a service (SaaS). The Board also concluded that the tickets for access to the live and virtual events were taxable.
- **New York:** The American Catalog Mailer's Association on April 5, 2024, filed a complaint seeking to invalidate the New York regulations interpreting P.L. 86-272. In its complaint, the Association asserts that the regulations effectively rewrite P.L. 86-272 to include as activities performed in New York, activities performed by employees of an Internet seller outside of New York using computers outside New York. Congress, the Association alleges, is the only body empowered to amend or rewrite federal law.

Read an [April 2024 report](#) prepared by KPMG LLP

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