

Sales/Use:

Mississippi DOR Proposes Changes to Rule on Computer Software & Services Addressing Cloud Computing

Proposed Amended Reg. Section 35.IV.5.06; Notice Filing, Miss. Dept. of Rev. (9/24/21). The Mississippi Department of Revenue proposed changes to its sales and use tax rule on computer equipment, software, and services to clarify the tax treatment of computer software and services when delivered through cloud computing. Under the proposal, sales of software or software services transmitted by the internet to a destination outside of Mississippi where the first use of such software or software services by the purchaser occurs outside of Mississippi is exempt from Mississippi sales tax. Additionally, taxable services include “the design and creation of a web page regardless of the location of the hosting server and certain services, delivered through SaaS, PaaS, IaaS and other cloud computing models.” Requests for an oral proceeding on the proposal must be submitted within 20 days after its September 24 filing, and written comments on the proposal must be submitted within 25 days after its September 24 filing. Please contact us with any questions.

URL: <https://www.sos.ms.gov/adminsearch/ACProposed/00025882b.pdf>

URL: <https://www.sos.ms.gov/adminsearch/ACProposed/00025882a.pdf>

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