

Sales/Use/Indirect:

Arkansas: US District Court Dismisses Local Franchise Fee Suit Against Streaming Companies

Case No. 4:20-CV-04113-SOH, W.D. Ark. (9/30/21). In a suit filed by an Arkansas municipality individually, and on behalf of “all others similarly situated,” against various streaming entertainment companies claiming that they owed local franchise fees imposed on certain video service providers under Arkansas’ Video Service Act (VSA), the US District Court for the Western District of Arkansas, Texarkana Division, granted the companies’ motion to dismiss the case – reasoning among other conclusions that i) the companies do not offer video services as defined by the VSA, and ii) there is no language in the relevant VSA provisions that expressly authorizes a municipality to bring this action against the companies. Please contact us with any questions.

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