

Sales/Use/Indirect:

Mississippi: November 3 Public Hearing Will Address Proposed Rule Changes Involving Cloud Computing

Notice Filing re Public Hearing, Miss. Dept. of Rev. (10/12/21); *Proposed Amended Reg. Section 35.IV.5.06*; Original Notice Filing, Miss. Dept. of Rev. (9/24/21). Following its earlier released proposed changes to Mississippi's 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 [see *State Tax Matters*, Issue 2021-39, for more details on this initial rule proposal], which were filed on September 24, 2021, the Mississippi Department of Revenue has scheduled a related public hearing for November 3, 2021. The proposal provides definitions for "Cloud Computing," "Software as a Service" (SaaS), "Platform as a Service" (PaaS), and "Infrastructure as a Service" (IaaS) and clarifies that 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, it specifies that 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." Please contact us with any questions.

URL: <https://www.sos.ms.gov/adminsearch/ACProposed/00025901a.pdf>

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

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

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/STM/211001_7.html

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