

## Sales/Use/Indirect:

### Indiana: Streaming Entertainment Companies' Motion to Dismiss Local Franchise Fee Case is Denied

*Cause No. 49D01-2008-PL-026436*, Ind. Commercial Ct., Marion County (1/18/22). In a suit filed by various Indiana municipalities against several streaming entertainment companies claiming that they owed local franchise fees imposed on certain video service providers under Indiana law, the Indiana Commercial Court, Marion County, denied the companies' motion to dismiss, holding among other conclusions that:

**URL:** <https://public.courts.in.gov/mycase#/vw/Search>

1. The plain language of applicable state law regarding "video service systems" provides for the possibility that an applicant for a franchise may connect with customers directly through technologies that were not contemplated at the time the most recent version of the provisions was passed in 2006, and
2. Because there is no established requirement in the applicable state law that the companies' programming travel over permanent fixtures that they placed in the public right-of-way, there remains a possibility that the companies' video service travels through the public right-of-way and may constitute taxable "video service" under state law.

Please contact us with any questions.

— Robyn Staros (Chicago)  
Managing Director  
Deloitte Tax LLP  
[rstaros@deloitte.com](mailto:rstaros@deloitte.com)

This document contains general information only and Deloitte is not, by means of this document, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This document is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this document.

#### About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.