

Sales/Use/Indirect:

Mississippi Supreme Court Affirms Photographer Does Not Owe Tax on Digital Photo Services

Case No. 2021-SA-00441-SCT, Miss. (10/6/22). The Mississippi Supreme Court (Court) affirmed that a company providing photography services and only selling copyrights to the digital still images it creates is *not* subject to Mississippi sales tax on these types of transactions because neither activity is subject to tax under state law. In doing so, the Court explained that as an exclusively digital photographer, the company “does not even use film, let alone develop film or engage in photo finishing – *i.e.*, the process of developing and printing photographs from negatives,” which is an enumerated taxable business activity under Mississippi law. Furthermore, the Court explained that still digital images are *not* taxable digital products and do *not* fall under the definition of specified digital products in Mississippi. Please contact us with any questions.

URL: <https://courts.ms.gov/images/Opinions/CO163773.pdf>

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