

Other/Miscellaneous:

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

Case No. 3:20-CV-00544-DCLC-DCP, E.D. Tenn. (12/5/22). In a suit filed by a Tennessee municipality against various streaming entertainment companies claiming that they owed local franchise fees imposed on certain video service providers under Tennessee's Competitive Cable and Video Services Act, the US District Court for the Eastern District of Tennessee, Knoxville Division, granted the companies' motion to dismiss the case following the Tennessee Supreme Court's recent holding that the companies do not provide a "video service" within the meaning of Tenn. Code Ann. section 7-59-303(19) and thus do not qualify as "video service providers" subject to the fees under Tenn. Code Ann. section 7-59-303(20) [see *State Tax Matters*, Issue 2022-47, for more details on this earlier Tennessee Supreme Court holding].

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2022/STM/221202_21.html

The holding in this case is in line with similar recent court decisions in other states. Please contact us with any questions.

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