

Sales/Use/Indirect:

Texas: Credit Ratings of Legal Entities are Taxable but Credit Ratings of Debt Obligations are Not

Accession No. 202301006L, Tex. Comptroller of Public Accounts (1/17/23). Similar to its previously issued policy letter [see *State Tax Matters*, Issue 2022-41, for more details on this earlier policy letter], the Texas Comptroller of Public Accounts (Comptroller) explains that the provision of credit ratings services for legal entities is taxable under Texas law, but the provision of credit ratings services for debt obligations is *not*. However, unlike its earlier guidance which stated that such policy “will be applied prospectively from the date of this memo,” the Texas Comptroller now states that “taxpayers should start collecting and remitting sales and use tax on their taxable credit rating services beginning April 1, 2023.” Please contact us with any questions.

URL: <https://star.comptroller.texas.gov/view/202301006L>

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2022/STM/221014_8.html

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