

Sales/Use/Indirect:

Louisiana Board of Tax Appeals Says Personal Data Cloud/Storage Services are Exempt under ITFA

Case No. L01283, La. Bd. of Tax App. (1/12/23). In a case involving an out-of-state company that designs, manufactures, and markets consumer electronics, software and personal computers, the Louisiana Board of Tax Appeals (Board) held that the company's sales of personal data cloud/electronic storage for extra capacity through monthly subscriptions where data is accessed on a computer or other electronic device via the internet constitute sales of exempt "Internet Access" as defined in the federal Internet Tax Freedom Act (ITFA) and thus state and local taxes could *not* be assessed on these transactions. Furthermore, in granting the company's motion for summary judgment, the Board noted that services generally are not taxable under Louisiana law, except for the specifically enumerated taxable services in La. R.S. 47:301(14) and that "personal electronic storage services" are *not* one of the listed taxable services. Accordingly, "under the uncontested facts as presented in this case, personal electronic storage services would be considered non-taxable services." Please contact us with any questions.

URL: <http://labta.louisiana.gov/pdfs/Apple.pdf>

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