

Pennsylvania: Department of Revenue retracts controversial letter ruling



David M. Kall | Thursday, March 16, 2017

Earlier this month, we [explained](#) the Pennsylvania Department of Revenue's (Department) February 9, 2017, Letter Ruling SUT-17-001, which clarified the Department's interpretation of [Act 84 of 2016](#) (the Act). Among other things, the Act broadened the definition of "tangible personal property" to expand the list of items subject to the state's 6 percent sales and use tax. The Letter Ruling made it clear that the tax would apply to canned computer software and related maintenance and support services, along with books, applications, games, music and audio.

The Department has since removed the unpopular Letter Ruling from its website without explanation. Presumably, it will re-evaluate its position in light of the controversy and re-issue its guidance thereafter.



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