

## Sales/Use/Indirect:

### Louisiana Board of Tax Appeals Says Pay-Per-View and Video-On-Demand TV Services are Not Taxable

*Case No. L01329, La. Bd. of Tax App. (3/14/24).* In a case involving a satellite dish and broadband television service provider that also offered subscribing customers the option to purchase certain video-on-demand (VOD) and pay-per-view (PPV) programming, the Louisiana Board of Tax Appeals (Board) held that the VOD and PPV transactions at issue did *not* constitute taxable sales or rentals of tangible personal property for Louisiana sales tax purposes because the provider successfully showed that it is merely selling temporary authorization to view such programs, which has intrinsic value under the facts. In doing so, the Board explained that what the customers are truly paying for is the permission to watch a movie, live event, or other program – noting that a customer’s access to the VOD and PPV programming is dependent on its continued subscription and/or connection to the provider’s infrastructure, and the underlying digital programming cannot be copied or distributed. Please contact us with any questions.

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

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