

Sales/Use/Indirect:

New York: Business Consulting Advice Services are Taxable Information Services with Some Falling Under Statutory Exclusion

Determination DTA Nos. 830004, 850016 and 850017, N.Y. Div. of Tax App., ALJ Div. (10/17/24). In cases involving multiple taxpayers providing their clients with “advice and insights” based on the acquisition of information about their clients’ businesses (e.g., their markets, customers, brands, or advertising), an administrative law judge (ALJ) with the New York Division of Tax Appeals referenced an earlier ruling involving one of the taxpayers [see *State Tax Matters*, Issue 2024-10, for details on this earlier decision] and held that, based on the standards set forth in that earlier case, many of the services in this case similarly constitute taxable information services under Tax Law § 1105 (c) (1) that are substantially incorporated into reports furnished to others and thus are *not* excluded from taxation as personal or individual in nature. However, the ALJ did hold that because some select services at issue generated information that was *not* available to third parties, they fell under the statutory exclusion as being personal or individual in nature. Please contact us with any questions.

URL: <https://www.dta.ny.gov/pdf/determinations/830004.det.pdf>

URL: https://dhub.deloitte.com/Newsletters/Tax/2024/STM/240308_12.html

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