

Sales/Use/Indirect:

Washington BTA Says Internet Radio Service Provider Qualifies for Radio Broadcaster Sales Tax Exemption

Docket No. 22-013, Wash. Bd. of Tax App. (1/3/25). Granting summary judgment for an internet radio service provider, the Washington Board of Tax Appeals (Board) held that the provider's subscription internet radio service was eligible for Washington's retail sales tax exemption for sales of audio programming by a radio broadcaster under Rev. Code of Wash. section 82.08.0208(5) and WAC 458-20-15503(509) even though the internet service gave the buyer access to some on-demand programming along with the live-streamed programming. Based on the undisputed facts, the Board found that during the 2014 through 2017 tax periods at issue, the provider's internet radio service was a "regular" programming service that provided its subscribers limited access to some on-demand content at no additional charge. Under these facts, the Board concluded that the provider's subscription internet streaming service was exempt from Washington retail sales tax because the amount it charged its internet radio subscribers was not a "specific charge" for providing access to "a library of programs at any time" within the meaning of Rev. Code of Wash. section 82.08.0208(5)(b) and WAC 458-20-15503(509). Please contact us with any questions.

URL: <https://apps.bta.wa.gov/Decision%20PDF/Formal%20Dockets/22-013.pdf>

— Robert Wood (Seattle)
Principal
Deloitte Tax LLP
robwood@deloitte.com

Angela Deamico (Seattle)
Senior Manager
Deloitte Tax LLP
adeamico@deloitte.com

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organization”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte provides industry-leading audit and assurance, tax and legal, consulting, financial advisory, and risk advisory services to nearly 90% of the Fortune Global 500® and thousands of private companies. Our professionals deliver measurable and lasting results that help reinforce public trust in capital markets, enable clients to transform and thrive, and lead the way toward a stronger economy, a more equitable society and a sustainable world. Building on its 175-plus year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte’s approximately 415,000 people worldwide make an impact that matters at www.deloitte.com.