

Sales/Use/Indirect:

Texas: New Law Formally Excludes Internet Access Services from Taxation

S.B. 1405, signed by gov. 6/20/25. Reflecting the fact that internet access is no longer subject to tax in Texas as of July 1, 2020, pursuant to the federal Internet Tax Freedom Act (ITFA) – which generally bars state and local governments from imposing new taxes on internet access and multiple or discriminatory taxes on electronic commerce – recently signed legislation excludes “Internet access service” from being classified as a taxable service under Texas sales and use tax statutes. Please contact us with any questions.

URL: <https://capitol.texas.gov/BillLookup/History.aspx?LegSess=89R&Bill=SB1405>

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