

Senate Bill 257

Enrolled Senate Bill (S)

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DIGEST

Sales tax on software. Provides that for purposes of the sales tax, a person is a retail merchant making a retail transaction when the person sells, rents, leases, licenses for consideration the right to use prewritten computer software delivered electronically. Specifies, however, that a transaction in which a user purchases, rents, leases, or licenses the right to remotely access prewritten computer software: (1) is not considered to be a transaction in which prewritten computer software is delivered electronically; and (2) does not constitute a retail transaction (and is therefore not subject to sales tax).