

INFORMATION BULLETIN #17

SALES TAX

AUGUST, 2009

(Replaces Bulletin #17 dated July, 2004)

DISCLAIMER: Information bulletins are intended to provide non-technical assistance to the general public. Every attempt is made to provide information that is consistent with the appropriate statutes, rules and court decisions. Any information that is inconsistent with the law, regulations, or court decisions is not binding on either the Department or the taxpayer. Therefore, information provided in this bulletin should serve only as a foundation for further investigation and study of the current law and procedures related to its subject matter.

SUBJECT: Application of Indiana Sales Tax to Cable or Satellite Television or Radio Service and Equipment Purchases

REFERENCES: IC 6-2.5-4-11; IC 6-2.5-13

All cable or satellite television companies and radio service providers must register as retail merchants and collect and remit sales tax on charges made for cable, satellite television or radio service. Sales tax does not apply to initial installation charges.

Transactions involving tangible personal property are exempt from the sales tax if the property is a part of a national, regional, or local headend or similar facility operated by a person furnishing video services, cable radio services, satellite television or radio services, or Internet access services using the property to furnish video services, Internet access services, or VOIP services.

A headend facility is a master facility for receiving signals for processing and distribution over a cable television system. The facility is normally surrounded by some type of a security fencing and is typically a building housing electronic equipment used to receive and retransmit video or local cable infrastructure.

A handwritten signature in black ink that reads "John Eckart". The signature is written in a cursive style with a large, looping initial "J".

John Eckart
Commissioner