

ONESOURCE Indirect Tax

US Content June Update

Issue Date: 21 May 2026

Update No: 1

ABOUT THIS UPDATE

The June Content Update #1 for ONESOURCE Indirect Tax Determination contains updates to US Content. Details related to these updates are included in the June Content Update #1 Change Report. This Change Report contains all changes to Standard Content included in the 2026.06.1.G.2 and 2026.06.1.USC.G.2 file. Versions 5.8.0.0 and above are supported by this update.

CONTENT UPDATES	2
Product Taxability Updates	2
Alabama	2
Maryland Bracket Tax Authority	2
SALES TAX HOLIDAYS	3
Puerto Rico	3
Texas	4
Alabama	5
GLOBAL PRODUCT GROUP	6
Canada	6
Mexico	6
United States	6

NOTIFICATIONS	7
Enhancements to Standard Exempt Reasons	7
Destination Tax Seller License	7
Policy Update	8
Content Licensing	10
Supplemental Product Guides	10
Oil and Gas	10
APPLYING THE CONTENT UPDATE	11
Downloading the Update	11
Installing the Update	12

CONTENT UPDATES

Product Taxability Updates

Please see the ONESOURCE Indirect Tax Product Taxability Matrix for product taxability changes included in the June Content Update #1. This document is available online at the ONESOURCE Customer Center. Please note that any Oil and Gas commodities, available only in the Cloud environment, are denoted by an asterisk in column J. Similarly, any Telco commodities, available only in the Telco and Cloud environments, are denoted by an asterisk in column K.

Alabama

Effective 01 May 2026, Alabama suspended the state portion of the sales and use tax on qualifying food items through 30 June 2026. During this time, the state's grocery tax will be suspended on sales of qualifying grocery and food items, but city and county local authorities may continue to collect taxes on these items.

Maryland Bracket Tax Authority

Enhancements have been made to the design of the MD - STATE (BRACKET) SALES/USE TAX authority to improve the accuracy of tax calculations. These updates include revisions to the bracket rate structure to better align the calculated tax with expected outcomes. These changes are included in the June Content Update #1.

SALES TAX HOLIDAYS

Puerto Rico and Texas have sales tax holidays in May. Alabama has a sales tax holiday in July.

Puerto Rico: 5/22/2026 – 5/25/2026

From 22 May 2026 through 25 May 2026, Puerto Rico is having a “Hurricane Preparedness” sales tax holiday. During the sales tax holiday, hurricane preparedness items and equipment will be exempted from state and local sales and use tax.

EXEMPTION AMOUNT	GENERAL CATEGORY
No limit	Hurricane Preparedness items and equipment
\$3,000.00 or less per item	Portable generators

Note: The tax code of **HOLIDAY** must be included in the XML input to trigger this functionality in Puerto Rico.

Texas: 5/23/2026 – 5/25/2026

During the period of 23 May 2026 to 25 May 2026, the sales tax holiday applies to qualified purchases of Energy Star products.

During the period of 23 May 2026 to 25 May 2026, the sales tax holiday applies to qualified purchase of water-conserving products. Water-conserving products mean tangible personal property that is used on private residential property and is not used for business or trade and, when used or planted in an outdoor residential property, may result in water conservation or groundwater retention, water table recharge, or a decrease in ambient air temperature that limits water evaporation.

EXEMPTION AMOUNT	GENERAL CATEGORY
\$2,000.00 or less per item	Energy Star Refrigerators
\$6,000.00 or less per item	Energy Star Air Conditioner
No Limit	Energy Star Light Bulbs, Energy Star Ceiling Fans, Energy Star Dehumidifiers, Energy Star Dishwashers, Energy Star Clothes Washers
No Limit	Non-Business Purchases of residential water-conserving products

Note: The tax code **HOLIDAY** must be included in the XML input to trigger this functionality in Texas.

Texas Remote Sellers: In order for qualified Remote Sellers to utilize the options for the Energy Star Sales Tax Holiday, qualifying items must pass the tax code of **HOLIDAY** and non-qualifying items must pass the tax code of **OUTOFSTATEOPTION**. If a single invoice has both qualifying and non-qualifying items, the related tax codes must be passed at the line-item level.

Alabama: 7/17/2026 – 7/19/2026

Alabama is having a sales tax holiday from 17 July 2026 through 19 July 2026. During the sales tax holiday, certain school supplies, computers, and clothing will be exempted from state sales and use tax. Local authorities have the option to fully participate, partially participate, or not participate in the holiday. If a city participates, those same products designated by the State of Alabama will also be exempted from city-level sales and use taxes. If a county participates, the same products will be exempted from county-level sales and use taxes.

This Content Update only reflects the state authority AL - STATE SALES/USE TAX and local participants as of 12 May 2026. If a jurisdiction was not included, that is because the Alabama Department of Revenue has not yet indicated whether that jurisdiction will be participating in the sales tax holiday and to what degree. ONESOURCE Indirect Tax will be including any additional participating authorities in future Content Updates once the information is made available by the Alabama Department of Revenue.

EXEMPTION AMOUNT	GENERAL CATEGORY
\$47.00 or less per item	Noncommercial Purchases of Books ¹
\$78.00 or less per item	Noncommercial Purchases of School Supplies, School Art Supplies, and School Instructional Materials ¹
\$156.00 or less per item	Clothing ¹
\$1,173.00 or less per item	Computers, Computer Software, and School Computer Supplies ¹

¹ The exemption does not apply if the goods are delivered or received outside the sales tax holiday. Local authorities have the option to participate, partially participate, or not participate in the holiday. This Content Update only reflects the state authority AL - STATE SALES/USE TAX and local participants as of 5/12/2026. Future updates will include other local participants as participation is confirmed.

Note: The tax code **HOLIDAY** must be included in the XML input to trigger this functionality in Alabama.

GLOBAL PRODUCT GROUP

As part of our ongoing development of the Global Product Group (GPG), our GPG products will be supported with Product Category Attributes (PCA). PCAs allow clients to use an alternative commodity code reference to activate global content. GPG products may be referred to by clients either by a mapped Product Code (configured as a Standard Mapping), through a direct reference to that GPG product's commodity code, or by using the PCA commodity code. At this time, PCAs are being added only for GPG products that are directly related to an existing US Commodity Code. These PCAs will be displayed on GPG products as UNSPSC attributes.

Future releases will continue to expand our global offering by adding additional content. Please watch for release notes throughout 2026 and beyond.

Canada

As GPG continues to evolve, this content is still being developed and will be expanded in upcoming releases, including additional coverage for beverages, food and supplements, medical supplies, oils, and hazardous products.

Mexico

As GPG continues to evolve, this content is still being developed and will be expanded in upcoming releases, including additional coverage for beverages, food and supplements, medical supplies, oils, and hazardous products.

United States

In the Global June Content Update #1, additional United States applies to all commodities taxability rules were end-dated. These taxability rules were replaced with updated versions that have a higher Rule Order Number. Previously, these Rule Order Numbers did not exceed the value of 10,000, however, the new taxability rules have Rule Order Numbers up to 40,000. For simplicity, the new taxability rules have a Rule Order Number which is 30,000 higher than the previous Rule Order Number (e.g. existing Rule Order of 9980 is now updated to 39980). Note that this change affects the Rule Order Number for all customers whether or not they are using Global content.

NOTIFICATIONS

Enhancements to Standard Exempt Reasons

There are ongoing enhancements to Standard content to update the Standard Exempt Reason on existing exempt taxability rules. These changes should have no impact on tax calculations but will facilitate better harmonization between the ONESOURCE Indirect Tax Determination and ONESOURCE Sales & Use Tax Compliance products. Additional updates will be made throughout 2026 to standardize all existing exempt taxability rules with the applicable Standard Exempt Reason.

Destination Tax Seller License

In the May and June updates, Operating License Type Mapping (OLTM) has been added to support Destination Tax collection requirements for certain motor fuel tax authorities, effective 01 October 2026. The new OLTM that has been added for NC, NM, SC, TN, and VA leverages a Destination Seller License (DSL) in addition to buyer/seller licenses in order to support export exemptions in certain rack states. At this time, customers **should NOT leverage DSL data** prior to 01 October 2026, as this will interfere with current OLTM operations and may generate erroneous results.

Policy Update

To increase our transparency to customers regarding tax content released with short notice or at unplanned times, process improvements are being made. The following are the upcoming changes:

Scenario 1: Legislation published with a retroactive date

TAX RATES/ FEES	TAXABILITY RULES
<p>Historical tax rate/fee covering the period from the legislation effective date to last day of the month prior to the release of the subsequent content update (ex: XXCU/XXSU/XXST)</p> <p>Standard tax rate/fee is supported effective first of the month of the subsequent content update</p>	<p>To use the historical tax rate/fee, custom taxability rules will be needed</p> <p>Standard taxability rules will be supported effective first of the month of the subsequent content update</p>

Scenario 2: Legislation published with a retroactive date (Content update released within 3 days of effective date of law)

TAX RATES/ FEES	TAXABILITY RULES
<p>Standard tax rate/fee is supported effective date of law</p>	<p>Standard taxability rules will be supported effective date of law</p>

Scenario 3: Legislation published without a retroactive date with near or immediate effect (Content update released more than 3 days after effective date of law)

TAX RATES/ FEES	TAXABILITY RULES
<p>If the content is unlikely to have a significant impact, the standard tax rate/fee is supported effective date of law</p> <p>If the content is likely to have a significant impact:</p> <p style="padding-left: 40px;">Historical tax rate/fee covering the period from the law effective date to last day of the month prior to the release of the subsequent content update (ex: XXCU/XXSU/XXST)</p> <p style="padding-left: 40px;">Standard tax rate/fee is supported effective the date of the release for the content update</p>	<p>If the content is unlikely to have a significant impact, the standard taxability rules will be supported effective date of law</p> <p>If the content is likely to have a significant impact:</p> <p style="padding-left: 40px;">To use the historical rate/fee, custom taxability rules will be needed Standard taxability rules will be supported effective the date of the release for the content update</p>

Please note, content notices will be sent to all customers for changes of significant impact.

There were two new historical rates (example: XXCU/XXSU/XXST) added as part of the June Content Update #1.

- AK - CHIGNIK, CITY SALES TAX
- NN - NAVAJO NATION, ELECTRONIC SMOKING PRODUCTS TAX

Content Licensing

If you are a Determination **On Premise** customer, you can disregard the following:

Content has been added to support the Oil and Gas upstream, midstream, and downstream process chains, and the Voice over Internet Protocol (VoIP) industry. This content is only available in the Determination Cloud application. In addition, telecommunications content that has been historically available in Determination On Premise was added to the Determination Cloud application. Please refer to the change report for details on what has been added in this content update. If you wish to utilize any of this additional content for tax determination purposes, you can reach out to your Account Manager to inquire about licensing.

Supplemental Product Guides

Effective as of the June 2025 Content Update #1, all Product Guides were consolidated. For users who subscribe to the additional Oil and Gas and/or VoIP content, please see the newest ONESOURCE Product Guide for all products and definitions. The guide was converted to MS Excel format and includes columns indicating if the product is only available in the Cloud environment or in both Telco and Cloud environments. This document is available online at the ONESOURCE Customer Center under the article name ONESOURCE Indirect Tax Product Taxability User Guide.

Oil and Gas

New content has been added to further enhance and better serve our customers in the oil and gas industry. As part of this expansion, several new products and taxabilities are being rolled out to customers in our monthly content updates. The ONESOURCE Indirect Tax Product Taxability Matrix will be populated with the individual product and state jurisdiction taxabilities as they are completed.

APPLYING THE CONTENT UPDATE

This process is not required for Cloud customers. The update process has two steps:

- Downloading the Update
- Installing the Update

Downloading the Update

Use the Indirect Tax Customer Center (<https://customercenter.sabrix.com/sabrixcc/>) to download monthly Content Updates:

1. Log on to the ONESOURCE Customer Center using the username and password assigned to you by Customer Support.
2. Select the Platform onto which you will install this tax data. This is the ONESOURCE Indirect Tax Determination version you are running.
3. Select the **Currently Installed Version** of your content Sabrix US Tax Data based on your current version of Determination:
 - Determination versions 5.8.0.0 and later require 2026.05.3.G.2.
4. Click **Download** and save the file (2026.06.1.G.2) to a directory on the system hosting the ONESOURCE Indirect Tax Determination or to a networked folder that can be accessed by that system.

Installing the Update

To install the Content Update:

1. Log on to Determination.
2. Navigate to **Menu > System > Import/Export**.
3. Click the **Import** tab, and then click **Browse** to locate your file.
4. Select the content file you just downloaded, and then click **Open**.
5. Click **Import** when the pop-up appears, and then click **Next** until the import starts.

You can close the window at any time—even before the import is complete. The results of the import are displayed in the **History** tab. Remember: You must import each Content Update in the correct order (date and version).

NOTE:

If you are running Determination 5.8.0.x and have the APPLICATION_EVENT_HISTORY_ENABLED instance configuration setting set to 'Y', please refer to [Indirect Tax Help and Support](#) if you encounter import issues.