Thomson Reuters™

ONESOURCE Indirect Tax

US Content October Update

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Update No: 1

ABOUT THIS UPDATE

The October Content Update #1 for ONESOURCE Indirect Tax Determination contains updates to US Content. Details related to these updates are included in the October Content Update #1 Change Report. This Change Report contains all changes to Standard Content included in the 2025.10.1.G.2 and 2025.10.1.USC.G.2 files. Versions 5.8.0.0 and above are supported by this update.

Important Note Regarding Content Update Versions

In Determination 5.8.0.0, Thomson Reuters added tables and columns to the tax content database in support of Compliance and Allocated Charge functionality. Tax content data created for these features is not available to Determination versions 5.7.0.3 and prior. At the time, Thomson Reuters made the decision to produce two versions of tax content. However, as of June 30, 2023, Thomson Reuters no longer supports **Compatibility Version G** for customers running Determination 5.7.0.3 or prior. Earlier versions of Determination are no longer supported versions of the software. As previously mentioned in the CONTENT VERSION G SUNSET NOTICE section, to continue to receive updated tax content customers must be using **Compatibility Version G.2 tax content**.

For more information on how to access and install the correct content, see **Applying the Content Update** at the end of this letter.

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CONTENT UPDATES

Product Taxability Updates

Please see the ONESOURCE Indirect Tax Product Taxability Matrix for product taxability changes included in the October 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.

Florida

Effective 01 October 2025, the state of Florida repealed Florida Statute 212.031 that imposed sales tax on rentals or licensure fees for the use of real property. State sales tax and applicable discretionary sales surtaxes will continue to apply to a rent or license fee payment for rental periods running through 30 September 2025 even if the payment is made after 01 October 2025, and on rentals of accommodations for six months or less, parking and storage space rentals for motor vehicles, docking or storage spaces of watercraft, and tie-down or storage space for aircraft at airports.

These changes are reflected in this October Content Update #1. Please refer to the latest ONESOURCE indirect Tax Product Taxability Matrix for the relevant product taxability changes.

Washington

Beginning 01 October 2025, the state of Washington will begin taxing a range of services pursuant to the passing of State Senate Bill 5814. Newly taxable services include, but are not limited to, digital advertising, information technology services, live presentations, and software customization services. These changes are included in this October Content Update #1. Please refer to the latest ONESOURCE indirect Tax Product Taxability Matrix for the relevant product taxability changes.

Washington, D.C.

On 01 October 2025, the district sales tax rate in Washington, D.C. will increase from 6% to 6.5%. This change will be reflected in the October Content Update #2.

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New Products

Effective 01 October 2025, 24 new products have been added to standard content:

- Medical Nutrition Drinks & Electrolytes
- Intraocular Lenses
- Video Game Points Card

This new content is a result of the ongoing effort to provide our customers with the most accurate and comprehensive content. Please refer to the latest ONESOURCE Indirect Tax Product Taxability Matrix for what is currently supported.

Sales Tax Holidays

Alaska and Florida have sales tax holidays in October.

JURISDICTION	EFFECTIVE DATE	EXEMPTION AMOUNT	GENERAL CATEGORY
Homer, Alaska	9/1/2025 – 5/31/2026	No Limit	Purchases of qualifying non-prepared food
Kenai Peninsula Borough, Alaska	9/1/2025 – 5/31/2026	No Limit	Purchases of qualifying non-prepared food

Kenai Peninsula Borough, Alaska and Homer, Alaska

Kenai Peninsula Borough, Alaska, will exempt non-prepared food from sales tax from 01 September 2025 through 31 May 2026. Non home-rule cities within the borough must participate in the exemption, but home-rule cities may decide not to participate. The city of Homer is participating, but the cities of Kenai, Seldovia, Seward, and Soldotna are not. The exemption does not apply to sales of prepared foods, nor to food items sold by restaurants and restaurant-type sellers. The city of Homer also exempts non-prepared food items from 01 September 2025 through 31 May 2026, with certain additional items not eligible, including but not limited to, candy, sports drinks, and snack foods.

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

JURISDICTION	EFFECTIVE DATE	EXEMPTION AMOUNT	GENERAL CATEGORY
Wrangell Borough and the city of Wrangell, Alaska	10/04/2025	No Limit	Purchases of all tangible personal property and services, excluding rentals for any period greater than one day

Wrangell Borough and the city of Wrangell, Alaska

On 04 October 2025, the city and borough of Wrangell, Alaska, will grant sellers the opportunity to participate in a Tax-Free Day. The sales tax holiday will exempt purchases of all tangible personal property and services. The exemption does not apply to rentals for any period greater than one day.

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

JURISDICTION	EFFECTIVE DATE	EXEMPTION AMOUNT	GENERAL CATEGORY
Skagway Borough, Alaska	10/01/2025 – 3/31/2026	No Limit	Purchases of all tangible personal property and services, excluding rentals for any period greater than one day

Skagway Borough, Alaska

From 01 October 2025 to 31 March 2026, the municipality of Skagway, Alaska, will grant sellers the opportunity to participate in a sales tax holiday. The sales tax holiday will exempt retail sales only.

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

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JURISDICTION	EFFECTIVE DATE	EXEMPTION AMOUNT	GENERAL CATEGORY
Ketchikan Gateway Borough, the city of Ketchikan, and the city of Saxman, Alaska	10/4/2025	No Limit	Purchases of most tangible personal property and services, excluding rentals for any period greater than one day

Ketchikan Gateway Borough, city of Ketchikan, and city of Saxman, Alaska

On 04 October 2025, Ketchikan Gateway Borough, the city of Ketchikan, and the city of Saxman, Alaska, will grant sellers the opportunity to participate in a sales tax holiday. The sales tax holiday will exempt purchases of most tangible personal property and services, with some exceptions.

The sales tax holiday does not apply to the following:

- Rentals with rental periods of greater than one day;
- Sales of public utility services that are otherwise taxable;
- Sales of gasoline, diesel fuel, or home heating fuel;
- Goods (other than major appliances and furniture) or services purchased on a sales tax holiday which are performed or delivered on a different day; and
- Sales of major appliances and furniture purchased on a sales tax holiday which are delivered on a day more than fourteen days from the date of sale.

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

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JURISDICTION	EFFECTIVE DATE	EXEMPTION AMOUNT	GENERAL CATEGORY
Florida	9/08/2025 – 12/31/2025	$5.00 or less per item	Bait or Fishing Tackle
		$10.00 or less per item	Bait and Fishing Tackle Together
		$30.00 or less per item	Camping Lanterns or Flashlights
		$30.00 or less per item	Tackle Boxes or Bags
		$50.00 or less per item	Sleeping Bags, Portable Hammocks, Camping Stoves, Collapsible Camping Chairs
		$75.00 or less per item	Individual Rods and Individual Reels
		$150.00 or less per item	Reels and Rods Sold as Set
		$200.00 or less per item	Tents
		Fully Exempt	Eligible Hunting Supplies

Florida

Florida is having a sales tax holiday from 08 September 2025 through 31 December 2025. The “Hunting, Fishing, and Camping” sales tax holiday applies to qualified purchases of hunting, fishing, and camping supplies for non-business use.

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Content Updates are necessary to keep your Determination up-to-date with the latest tax rules and rates, and to ensure correct tax calculations. For complete information about downloading and installing updates, refer to the Online Help for ONESOURCE Indirect Tax Determination.

For more assistance, use our online resources or contact Customer Support by opening a support request through the ONESOURCE Customer Center, or call us at 1-800-327-8829 Option 3,9,3.

Additionally, the following items are fully exempt as eligible hunting supplies:

- Ammunition as defined in s. 790.001(1), Florida Statutes
- Bows (hand-drawn and hand-released)
- Crossbows which use a non-hand-held locking mechanism to maintain the device in a drawn or ready-to-discharge condition
- Accessories for bows and crossbows:
    - Arrows, bolts, quarrels, quivers, releases, sights or optics, wrist guards
- Firearms including pistols, rifles, and shotguns
- Firearm accessories:
    - Charging handles, cleaning kits, holsters, pistol grips, sights or optics, stocks

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

Minnesota

In the October 2024 Content Update #1, a rule for the MN - STATE RETAIL DELIVERY FEE authority was introduced with the Invoice Level Charge option enabled. However, further engine enhancements are required for this feature, so the rule for this authority has been reverted to its prior configuration, with the Invoice Level Charge option disabled. Once the necessary engine enhancements are implemented, the rule will be updated accordingly.

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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 2025 to standardize all existing exempt taxability rules with the applicable Standard Exempt Reason.

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
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) Standard tax rate/fee is supported effective first of the month of the subsequent content update	To use the historical tax rate/fee, custom taxability rules will be needed Standard taxability rules will be supported effective first of the month of the subsequent content update

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

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

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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
If the content is unlikely to have a significant impact, the standard tax rate/fee is supported effective date of law If the content is likely to have a significant impact: 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) Standard tax rate/fee is supported effective the date of the release for the content update	If the content is unlikely to have a significant impact, the standard taxability rules will be supported effective date of law If the content is likely to have a significant impact: 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

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

There were no new historical rates (example: XXCU/XXSU/XXST) added as part of the October Content Update #1.

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.

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Supplemental Product Guides

Effective as of the June 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.

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For more assistance, use our online resources or contact Customer Support by opening a support request through the ONESOURCE Customer Center, or call us at 1-800-327-8829 Option 3,9,3.

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 2025.9.1.G.2.
4. Click **Download** and save the file (2025.10.1.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.

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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.

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