



Cap Amount in Effect from June 1, 2017, to May 31, 2018, for the Sales Tax Exemption for Electronic News Services

The Tax Law provides an exemption from sales and use taxes for certain electronic news services. One of the conditions for the exemption is that the service must be sold at or below a *cap amount*. The cap amount is 300% of the annualized average daily newsstand price of the three newspapers with the largest total paid national daily circulation. The Tax Department must determine the cap amount annually by April 1 of each year, based on the prices charged for the three newspapers as described above, during the first week of January of each year. The cap amount will then apply for the succeeding twelve-month period beginning on June 1 and ending on May 31. For more information, see [TSB-M-12\(1\)S](#), *Sales and Use Tax Exemption for Electronic News Services and Electronic Periodicals*.

The *cap amount* for purposes of the sales tax exemption for sales or uses of electronic news services that occur from June 1, 2017, to May 31, 2018, is: **\$2,981**.

Note: An N-Notice is generally issued to announce a singular event, such as an update to a previously issued tax form or instruction, or to announce a new due date for filing returns and making payments of tax because of a natural disaster. The department does not revise previously issued N-Notices.