Disclosed Practice 11 – Live and On-Demand Events

These tax administration practices provide guidance of how a state classifies live and on-demand events based on the parameters presented. As used in this disclosed practice, the following apply:

- "Live" means in real time with the presenter and participant present at the same time.
- "On-demand" means a pre-recorded digital experience that is downloaded or transferred for viewing.
- A "presenter" is a person who guides an event, introduces content, or delivers information to an audience for educational, training, entertainment or other purposes.
- "Connected to" or "interaction with the presenter", as used in this disclosed practice for live events, means the participants and presenter can interact during the event, including nonverbal communication.
- "Connected to" or "interaction with the presenter", as used in this disclosed practice for pre-recorded events, means the participant can contact and interact with the presenter while viewing the event, including nonverbal communication.
- "Digital audio-visual works" or "Digital audio works" used in this disclosed practice are as defined in the SSUTA Library of Definitions. See the state Taxability Matrix: Library of Definitions reference numbers 31000 – 31100 for state specific treatment of digital audio-visual works and digital audio works.
- Materials provided include but are not limited to: PowerPoint presentations, PDF notes or lecture, whitepaper, or other similar materials. However, materials do not include a recording.
- For purposes of this disclosed practice, "educational institution" means an institution which primarily functions as a school, college, or university with students, faculty, and an established curriculum.
- Educational, training, and instructional purposes in this disclosed practice are based on each state's definition or interpretation of those terms.

  States provide links to how the DOR defines or interprets educational, training, and instructional.

Disclosed Practice 11.1 - Live Electronic Presentation or Event – Participant is Connected to the Presenter

Unless specifically stated, the participant does not receive any materials or recordings.

If the answer is "other", explain in the comments how the event is classified.

11.1 The state classifies a live presentation or event provided electronically, where the participant is connected to the presenter and live interaction is possible, to be "digital audio-visual works" or "digital audio works", "a service", "admission/entertainment/amusement", or "other" when the presentation or event:

11.1.a. Educational Institution – Public or Private ~~Tuition funded Educational Institutions~~

11.1.a.i. is provided by an accredited educational institution, which is included in the course fee, without any course material or recordings.

11.1.a.ii. is provided by an accredited educational institution, which is included in the course fee, and participants receive course material for no additional charge.

11.1.a.iii is provided by an accredited educational institution and included in the course fee and participants receive a recorded version of the course for no additional charge.

Example 11.1.a.: Students enroll in online state college courses that provides college credit. All courses follow a set schedule that all enrolled students attend during scheduled days and times. Students can ask questions of and interact with the instructor during online courses.

11.1.b. Private Entity Providing Education Classes (does not include a Private Educational Institution)~~Educational Purposes from a non-Accredited Educational Institution~~

11.1.b.i. is for educational purposes offered by a ~~non-accredited education institution~~private entity without any materials or recordings provided.

11.1.b.ii. is for educational purposes offered by a ~~non-accredited education institution~~private entity and participants receive materials for no additional charge.

11.1.b.iii. is for educational purposes offered by a ~~non-accredited education institution~~private entity and participants receive a recorded version of the presentation for no additional charge.

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Example 11.1.b.: Students enroll in online educational courses from a ~~non-accredited educational institution~~private entity. ~~Students do not receive credit towards any degree because the courses are not associated with an accredited educational institution~~Students may or may not be able to receive credit from an educational institution for the classes taken at this private entity. The courses follow a set schedule that enrolled students attend online during the scheduled days and times. Students can ask questions of and interact with the instructor during the online courses.

11.1.c. Professional and Occupational Licenses

11.1.c.i. is for continuing education credit required by a governing body to maintain qualification for a professional or occupational license without any course material or recordings.

11.1.c.ii. is for continuing education credit required by a governing body to maintain qualification for a professional or occupational license and participants receive course material for no additional charge.

11.1.c.iii. is for continuing education credit required by a governing body to maintain qualification for a professional or occupational license and participants receive a recorded version of the course for no additional charge.

Example 11.1.c.: The state requires all certified public accountants (CPAs) to complete state approved continuing professional education (CPE) courses every year to maintain their professional license. A private company has been approved to offer courses that qualify for CPE. For a fee, CPAs can enroll in these courses which are only offered on specific days and times. Participants can ask the presenter questions and make comments during the online course.

11.1.d. Training or Instructional Purposes

11.1.d.i. is for training or instructional purposes without any training or instructional material or recordings.

11.1.d.ii. is for training or instructional purposes and participants receive training or instructional material for no additional charge.

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11.1.d.iii. is for training or instructional purposes and participants receive a recorded version of the event for no additional charge.

Example 11.1.d.: A chef offers online cooking lessons for a fee. The cooking lessons are only offered on certain days and times. Students are connected to the chef during the class and can ask questions and make comments during the lesson.

Disclosed Practice 11.2 - Live Electronic Presentation or Event – Participant is NOT Connected to the Presenter

Unless specifically stated, the participant does not receive any materials or recordings.

If the answer is "other", explain in the comments how the event is classified.

11.2 The state treats a live presentation or event provided electronically, and the participant has no ability to interact with the presenter to be "digital audio-visual works" or "digital audio works", "a service", "admission/entertainment/amusement", "other" when the presentation or event:

11.2.a. is part of an accredited educational curriculum included in tuition

Example 11.2.a.: Students enroll in online state college courses that provide credit toward a degree. All courses follow a set schedule with all enrolled students attend during scheduled days and times. Students attending online cannot ask the presenter questions or make comments while the course is taking place.

11.2.a.i. without any downloaded material or recordings.

11.2.a.ii. and participants receive downloaded material.

11.2.a.iii. and participants receive a recorded version of the presentation or event.

11.2.b. is for educational purposes but not included in tuition

Example 11.2.b.: Students enroll in online educational courses from a private company. Students do not receive credit towards any degree because the courses are not associated with an accredited educational institution. The courses follow a set schedule with all enrolled students attending online

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during the scheduled days and times. Students cannot ask the presenter questions or make comments during online courses.

11.2.b.i. without any downloaded material or recordings.

11.2.b.ii. and participants receive downloaded material.

11.2.b.iii. and participants receive a recorded version of the presentation or event.

11.2.c. is for continuing education credit required by the state to maintain qualification for a professional or occupational license

Example 11.2.c.: The state requires all certified public accounts (CPAs) to complete state approved continuing professional education (CPE) courses every year to maintain their professional license. A private company has been approved to offer courses that qualify for CPE. For a fee, CPAs can enroll in these courses which are only offered on specific days and times. Participants cannot ask the presenter questions or make comments during the online course.

11.2.c.i. without any downloaded material or recordings.

11.2.c.ii. and participants receive downloaded material.

11.2.c.iii. and participants receive a recorded version of the presentation or event.

11.2.d. is for training or instructional purposes

Example 11.2.d.: The local yoga studio offers live streaming of their regular in-person yoga classes. Participants can pay a fee to live stream the class at the same time as the in-person class. Participants cannot interact with the trainer or other participants during the class.

11.2.d.i. without any downloaded material or recordings.

11.2.d.ii. and participants receive downloaded material.

11.2.d.iii. and participants receive a recorded version of the presentation or event.

Disclosed Practice 11.3 – On-Demand Event – Participant is Connected to the Presenter

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Unless specifically stated, the participant does not receive any materials or recordings.

If the answer is "other", explain in the comments how the event is classified.

11.3 The state treats the following on-demand events, when provided electronically, and the participant is connected to the presenter, to be "digital audio-visual works" or "digital audio works", "a service", "admission/entertainment/amusement", "other" when the event:

11.3.a. is part of an accredited educational curriculum included in tuition

Example 11.3.a.: Students enroll in online state college course that provide credit toward a degree. Some courses are offered as pre-recorded, on-demand classes allowing students to take the course when they choose as long as the class is completed during the specified term. Students can interact with the presenter while taking the online course.

11.3.a.i. without any downloaded material or recordings.

11.3.a.ii. and participants receive downloaded material.

11.3.a.iii. included in tuition, and participants receive a recorded version of the event.

11.3.b. is for educational purposes but not included in tuition

Example 11.3.b.: Students enroll in online educational courses from a private company. Students do not receive credit towards any degree because the courses are not associated with an accredited educational institution. Courses are pre-recorded, on-demand classes allowing students to take the courses when they choose. Students can interact with the presenter while taking the online courses.

11.3.b.i. without any downloaded material or recordings.

11.3.b.ii. and participants receive downloaded material.

11.3.b.iii. and participants receive a recorded version of the event.

11.3.c. is for continuing education credit required by the state to maintain qualification for a professional or occupational license

Example 11.3.c.: The state requires all certified public accounts (CPAs) to complete state approved continuing professional education (CPE) courses every year to maintain their professional license. A private company has

been approved to offer courses that qualify for CPE. The CPE courses are pre-recorded, on-demand classes allowing CPAs to take the courses when they choose. Participants can interact with the presenter while taking the online course.

11.3.c.i. without any downloaded material or recordings.

11.3.c.ii. and participants receive downloaded material.

11.3.c.iii. and participants receive a recorded version of the event.

11.3.d. is for training or instructional purposes

Example 11.3.d.: Students can take pre-recorded, on-demand Tae Kwon Do classes and work towards a new belt (level). Students can interact with the presenter while taking the online course.

11.3.d.i. without any downloaded material or recordings.

11.3.d.ii. and participants receive downloaded material.

11.3.d.iii. and participants receive a recorded version of the event.

Disclosed Practice 11.4 – On-Demand Event – Participant is NOT Connected to the Presenter

Unless specifically stated, the participant does not receive any materials or recordings.

If the answer is "other", explain in the comments how the event is classified.

11.4. The state treats an on-demand event viewed electronically, and the participant has no ability to interact with the presenter, to be "digital audio-visual works" or "digital audio works", "a service", "admission/entertainment/amusement", "other" when the event:

11.4.a. is part of an accredited educational curriculum included in tuition

Example 11.4.a.: Students enroll in online state college courses that provide credit toward a degree. Some courses are pre-recorded, on-demand classes allowing students to take the course when they choose as long as the class is completed during the specified term. Students are unable to interact with the presenter while taking the course.

11.4.a.i. without any downloaded material or recordings.

11.4.a.ii. and participants receive downloaded material.

11.4.a.iii. and participants receive a recorded version of the event.

11.4.b. is for educational purposes but not included in tuition

Example 11.4.b.: Students enroll in online educational courses from a private company. Students do not receive credit towards any degree because the courses are not associated with an accredited educational institution. The course is a pre-recorded, on-demand class allowing students to take the course when they choose. Students are unable to interact with the presenter while taking the course.

11.4.b.i. without any downloaded material or recordings.

11.4.b.ii. and participants receive downloaded material.

11.4.b.iii. and participants receive a recorded version of the event.

11.4.c. is for continuing education credit required by the state to maintain qualification for a professional or occupational license

Example 11.4.c.: The state requires all certified public accounts (CPAs) to complete state approved continuing professional education (CPE) courses every year to maintain their professional license. A private company has been approved to offer courses that qualify for CPE. The CPE courses are pre-recorded, on-demand classes allowing CPAs to take the courses when they choose. Participants receive CPE once they have completed a course. Students are unable to interact with the presenter while taking the course.

11.4.c.i. without any downloaded material or recordings.

11.4.c.ii. and participants receive downloaded material.

11.4.c.iii. and participants receive a recorded version of the event.

11.4.d. is for training or instructional purposes

Example 11.4.d.: Students can take pre-recorded, on-demand woodworking classes to build home furniture. Students are unable to interact with the presenter while taking the online course.

11.4.d.i. without any downloaded material or recordings.

11.4.d.ii. and participants receive downloaded material.

11.4.d.iii. and participants receive a recorded version of the event.

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