



State of Arkansas  
Department of Finance & Administration  
Revenue Division – Office of Field Audit  
1501 SE Walton Blvd., Suite 213, Bentonville, AR 72712  
(479) 271-8108  
Patti.Gilliland@dfa.state.ar.us

---

# MEMO

**TO: ERIC FRIEND**  
**FROM: PATTI GILLILAND, TAX AUDITOR SUPERVISOR**  
**DATE: NOVEMBER 29, 2006**  
**RE: ELECTRONIC SUBSCRIPTIONS**

---

In order for an item of tangible personal property to be taxable, the item must be tangible. Gross Receipts Rule Forty-Eight (GR-48) defines “publications” to be “any pamphlet, magazine, journal, or periodical, other than a newspaper, designed for the information or entertainment of the general public or any segment thereof.” While an electronic subscription does not meet the definition of a publication to be exempt under GR-48, if the item is only received electronically and nothing tangible is received, then the transaction is exempt from tax.