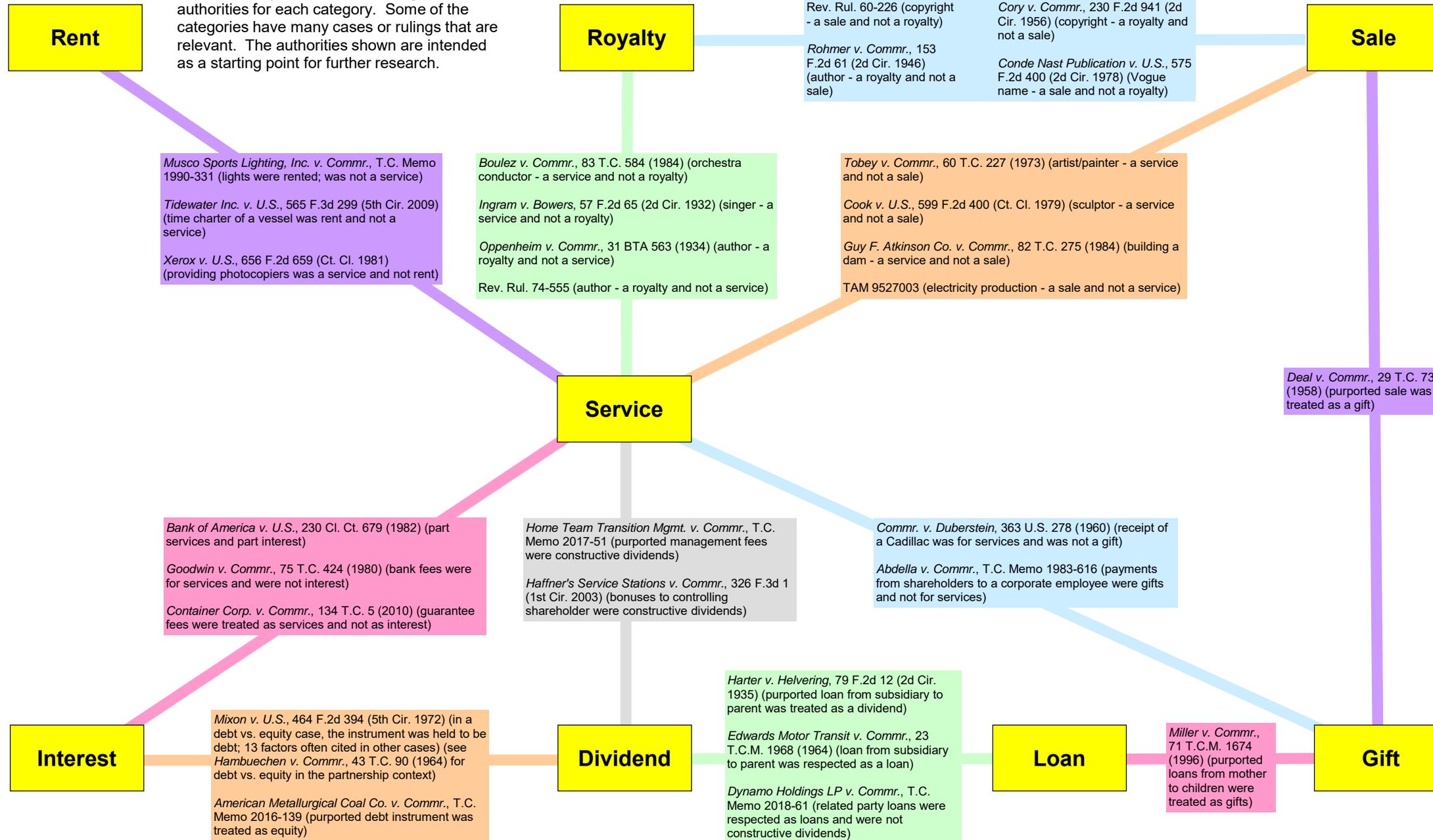


Income Classification

This chart only includes a sampling of authorities for each category. Some of the categories have many cases or rulings that are relevant. The authorities shown are intended as a starting point for further research.



Computer Programs (Reg. 1.861-18)

1. A transfer of a **copyright right**: a sale if all substantial rights are transferred; otherwise treat as a royalty.
2. A transfer of a **copyrighted article**: a sale if all benefits and burdens of ownership are transferred; otherwise treat as rent.

Cloud transactions (Prop. Reg. 1.861-19)

(on-demand network access to computer hardware, digital content, or similar resources)

Generally treat as a service, but in some circumstances treat as rent.