



Resale Certificate

Single-use certificate **Blanket certificate** Date issued _____

Temporary vendors must issue a single-use certificate.

Seller information - please type or print

Seller's name		
Address		
City	State	ZIP code

Purchaser information - please type or print

I am engaged in the business of _____ and principally sell _____
(Contractors may not use this certificate to purchase materials and supplies.)

Part 1 - To be completed by registered New York State sales tax vendors

I certify that I am:

- a New York State vendor (including a hotel operator or a dues or admissions recipient), show vendor or entertainment vendor. My valid Certificate of Authority Number is _____
- a New York State temporary vendor. My valid Certificate of Authority Number is _____ and expires on _____

I am purchasing:

- A** Tangible personal property (other than motor fuel or diesel motor fuel)
- for resale in its present form or for resale as a physical component part of tangible personal property;
 - for use in performing taxable services where the property will become a physical component part of the property upon which the services will be performed, or the property will actually be transferred to the purchaser of the taxable service in conjunction with the performance of the service, or
- B** A service for resale, including the servicing of tangible personal property held for sale.

Part 2 - To be completed by non-New York State purchasers

I certify that I am not registered nor am I required to be registered as a New York State sales tax vendor. I am registered to collect sales tax or value added tax (VAT) in the following state/jurisdiction _____ and have been issued the following registration number _____. (If sales tax or VAT registration is not required and a registration number is not issued by your home jurisdiction, indicate the location of your business and write **not applicable** on the line requesting the registration number.)

I am purchasing:

- C** Tangible personal property (other than motor fuel or diesel motor fuel) for resale, and it is being delivered directly by the seller to my customer or to an unaffiliated fulfillment services provider in New York State.
- D** Tangible personal property for resale that will be resold from a business located outside New York State.

Part 3 - Certification

I, the purchaser, understand that:

- I may not use this certificate to purchase items or services that are not for resale.
- If I purchase tangible personal property or services for resale, but I use or consume the tangible personal property or services myself in New York State, I must report and pay the unpaid tax directly to New York State.
- I will incur tax liabilities, in addition to penalty and interest, for any misuse of this certificate.

Please type or print

Purchaser's name as it appears on the sales tax registration		Name of owner, partner, or officer of corporation, authorizing the purchase	
Street address		Purchaser's signature	
City	State	ZIP code	Title

Substantial penalties will result from misuse of this certificate.

Instructions For Use of Resale Certificates

Form ST-120, *Resale Certificate*, is a sales tax exemption certificate. **This certificate is only for use by a purchaser who:**

- A** - is registered as a New York State sales tax vendor and has a valid Certificate of Authority issued by the Tax Department and is making purchases of tangible personal property (other than motor fuel or diesel motor fuel) or services that will be resold or transferred to the purchaser's customers, **or**
- B** - is not required to be registered with the New York State Tax Department;
- is registered with another state, the District of Columbia, a province of Canada, or other country, or is located in a state, province, or country which does not require sellers to register for sales tax or VAT purposes; and
 - is purchasing items for resale that will be either:
 - 1) delivered by the seller to the purchaser's customer or to an unaffiliated fulfillment service provider located in New York State, or
 - 2) delivered to the purchaser in New York State, but resold from a business located outside the state.

Note: For purposes of 1) above, delivery by the seller includes delivery in the seller's own vehicle or by common carrier, regardless of who arranges for the transportation.

If, among other things, a purchaser has any place of business or salespeople in New York State, or owns or leases tangible personal property in the State, the purchaser is required to be registered in New York State. If you need help determining if you are required to register because you engage in some other activity in the State, contact the Department (see the **Need Help** section). However, a purchaser who is not otherwise required to be registered in New York may purchase fulfillment services from an unaffiliated New York fulfillment service provider and have its tangible personal property located on the premises of the provider without being required to be registered in New York State.

If you meet the registration requirements and engage in business activities in New York State without possessing a valid Certificate of Authority, you will be subject to penalty of up to \$500 for the first day on which you make a sale or purchase, and up to \$200 for each additional day, up to a maximum of \$10,000.

Limitations on use

Contractors cannot use this certificate. They must either:

- issue Form ST-120.1, *Contractors Exempt Purchase Certificate*, if the tangible personal property being purchased qualifies for exemption as specified by the certificate, or
- issue Form AU-297, *Direct Payment Permit*, or
- pay sales tax at the time of purchase.

Contractors are entitled to a refund or credit of sales tax paid on materials used in repairing, servicing or maintaining real property, if the materials are transferred to the purchaser of the taxable service in conjunction with the performance of the service. For additional information, see Publication 862, *Sales and Use Tax Classifications of Capital Improvements and Repairs to Real Property*.

To the Purchaser

Enter all the information requested on the front of this form.

You may check the *Blanket certificate* box to cover all purchases of the same general type of property or service purchased for resale. If you do not check the *Blanket certificate* box, the certificate will be deemed a *Single-use certificate*. Temporary

vendors may not issue a blanket certificate. A temporary vendor is a vendor (other than a show or entertainment vendor), who, in no more than two consecutive quarters in any 12-month period, makes sales of tangible personal property or services that are subject to tax.

This certificate does not exempt prepaid sales tax on cigarettes. This certificate may not be used to purchase motor fuel or diesel motor fuel.

If you intentionally issue a fraudulent exemption certificate, you will become liable for penalties and interest, in addition to the sales tax initially due. Some penalties that may apply:

- 100% of the tax due
- \$50 for each fraudulent exemption certificate issued
- a misdemeanor penalty consisting of fines not to exceed \$10,000 for an individual or \$20,000 for a corporation
- loss of your Certificate of Authority

To the Seller

If you are a New York State registered vendor and accept an exemption document, you will be protected from liability for the tax, if the certificate is valid.

The certificate will be considered valid if it was:

- accepted in good faith,
- in the vendor's possession within 90 days of the transaction, and
- properly completed (all required entries were made).

A certificate is accepted in good faith when a seller has no knowledge that the exemption certificate is false or is fraudulently given, and reasonable ordinary due care is exercised in the acceptance of the certificate.

You must get a properly completed exemption certificate from your customer no later than 90 days after the delivery of the property or the performance of the service. When you receive a certificate after the 90 days, both you and the purchaser are subject to the burden of proving that the sale was exempt, and additional documentation may be required. An exemption certificate received on time that is not properly completed will be considered satisfactory if the deficiency is corrected within a reasonable period. You must also maintain a method of associating an invoice (or other source document) for an exempt sale made to a customer with the exemption certificate you have on file from that customer.

Invalid exemption certificates - Sales transactions which are not supported by valid exemption certificates are deemed to be taxable retail sales. The burden of proof that the tax was not required to be collected is upon the seller.

Retention of exemption certificates - You must keep this certificate for at least three years after the due date of the return to which it relates, or the date the return was filed, if later.



Need Help?

Tax information: 1 800 972-1233
 Forms and publications: 1 800 462-8100
 From outside the U.S. and outside Canada: (518) 485-6800
 Fax-on-demand forms: 1 800 748-3676
 Internet access: <http://www.tax.state.ny.us>
 Hearing and speech impaired: 1 800 634-2110



To be completed by the purchaser and given to the seller

Exempt Use Certificate

Read instructions on pages 3 and 4 before completing or accepting this form

Name of seller			Name of purchaser		
Street address			Street address		
City	State	ZIP code	City	State	ZIP code
Check one: <input type="checkbox"/> Single-purchase certificate <input type="checkbox"/> Blanket certificate			Purchaser's <i>Certificate of Authority</i> number		

This form cannot be used to purchase motor fuel or diesel motor fuel exempt from sales tax.

The purchase I am making is exempt from state and local sales and use taxes because the property or services will be used for the exempt purpose indicated below and as explained in the instructions.

(Please read the instructions for more information on each exemption, and check the box(es) next to the exemption(s) you are claiming.)

Part I — Production exemptions

Paragraph (A) - (F) purchases are exempt from all state and local sales and use taxes.

(A) Machinery and equipment, parts, tools, and supplies used or consumed in the production of tangible personal property for sale or in the production of gas, electricity, steam, or refrigeration services for sale.

(B) Tangible personal property used or consumed in providing telecommunications or Internet access services for sale.

(C) Machinery, equipment, parts, tools, and supplies (1) used or consumed to upgrade cable television systems to provide digital cable television service for sale, or (2) purchased by a cable television service company to provide Internet access services for sale. (This exemption expires September 1, 2003.)

(D) Machinery, equipment, parts, tools, and supplies used by radio or tv broadcasters in the production of live or recorded programs which are used by the broadcaster for specified purposes.

(E) Purchases of gas or electricity or gas or electric service used to provide gas or electric service including operating a gas pipeline, an electric transmission line, or a gas or electric distribution line.

(F) Purchases of (check one or more boxes): fuel gas electricity refrigeration steam or gas, electric, refrigeration, or steam services used or consumed in the production of tangible personal property for sale.

Paragraph (G) purchases are exempt from all state and local taxes when delivered or used outside New York City, but subject to New York City local sales and use tax when delivered or used in New York City.

(G) Purchases of (check one or more boxes): fuel gas electricity refrigeration steam or gas, electric, refrigeration, or steam services used or consumed in the production of gas, electricity, refrigeration, or steam for sale.

Part II — Exemptions for services to exempt machinery and equipment (exempt from all state and local sales and use taxes)

(H) Installing, repairing, maintaining, or servicing of the tangible personal property, machinery, equipment, parts, tools, and supplies listed in (A) through (D) above.

Part III - Other exemptions - exempt from all sales and use taxes

(I) Tangible personal property used in research and development.

(J) Purchases of (check one or more boxes): gas electricity refrigeration steam or gas, electric, refrigeration, or steam service used in research and development.

(K) Cartons, containers, and other wrapping and packaging materials and supplies which are actually transferred to the purchaser.

(L) Certified enhanced emissions inspection equipment for testing and inspecting motor vehicles. Enter your inspection station license number _____

(M) Alternative fuel vehicle refueling property, and the service of installing this property.

(N) Commercial vessels (including certain property and services).

(O) Commercial aircraft (including certain machinery and equipment) and flight simulators purchased by commercial airlines.

(P) Commercial fishing vessels (including certain property).

(Q) Pollution control equipment (valid for purchases on or after March 1, 2001).

(R) Other (Describe exempt use and identify the section of the Tax Law covering this exemption.) _____

I certify that the above statements are true and complete; and I make these statements with the knowledge that willfully issuing a false or fraudulent certificate with the intent to evade tax is a misdemeanor, under section 1817(m) of the New York State Tax Law and section 210.45 of the Penal Law, punishable by a fine of up to \$10,000 for an individual or \$20,000 for a corporation. I also understand that the Tax Department is authorized to investigate the validity of exemptions claimed or the accuracy of any information entered on this form.

Signature of purchaser or purchaser's representative (<i>give title and relationship</i>)	Date
Type or print the name that appears in the signature box	

Instructions

To the purchaser

If you have a valid *Certificate of Authority*, you may use Form ST-121 to purchase tangible personal property or services exempt from tax to the extent indicated in these instructions. Complete all required entries on the front of the form and give it to the seller.

You may use Form ST-121 as a blanket certificate covering the first and subsequent purchases of the same general type of property or service. However, each subsequent sales slip or purchase invoice (excluding utility bills) based on this blanket certificate must show the purchaser's name, address, and *Certificate of Authority* identification number.

If you make further purchases from the seller that do not qualify for the exemption, you must pay the appropriate sales tax at the time of purchase.

As used in this document, the term *predominantly* means that the property or services are used more than 50% of the time directly for the purpose stated in the particular section. The term *exclusively* means that the property or services are used 100% of the time directly for the purpose stated in the particular section.

Part I — Production exemptions

Item (A) — You may purchase, exempt from tax, machinery and equipment, including parts, tools, and supplies, used or consumed **directly** and **predominantly** in the production of tangible personal property, gas, electricity, refrigeration, or steam for sale by manufacturing, processing, generating, assembling, refining, mining, or extracting. For more information on these various production exemptions, see Publication 852, *Sales Tax Information for: Manufacturers, Processors, Generators, Assemblers, Refiners, Miners and Extractors, and Other Producers of Goods and Merchandise*.

Item (B) — You may purchase, exempt from tax, tangible personal property used **directly** and **predominantly** in the receiving, initiating, amplifying, processing, transmitting, re-transmitting, switching, or monitoring of switching of telecommunications services for sale. Internet access services for sale, or any combination of the two services.

Item (C) — You may purchase, exempt from tax, machinery, equipment, and apparatus (including parts, tools, and supplies used in connection with this machinery, equipment, and apparatus) used or consumed **directly** and **predominantly** to upgrade cable television systems to allow for the receiving, initiating, amplifying, processing, transmitting, retransmitting, switching, or monitoring of switching of digital cable television services for sale. If you are principally engaged in furnishing cable television service for sale, you may also purchase, exempt from tax, equipment or apparatus used or consumed in the receiving, initiating, amplifying, processing, transmitting, retransmitting, switching or monitoring of switching of Internet access service for sale, including parts, tools, and supplies used in connection with this equipment or apparatus.

Item (D) — You may purchase, exempt from tax, machinery, equipment, or other tangible personal property (including parts, tools, and supplies) used or consumed by radio or television broadcasters **directly** and **predominantly** in the production (including post-production) of live or recorded programs which are used or consumed by a broadcaster predominantly for the purpose of broadcast over the air by the broadcaster or for transmission through a cable television or direct-broadcast satellite system by the broadcaster. You may also purchase, exempt from tax, machinery, equipment, and other tangible personal property (including parts, tools, and supplies) used or consumed **directly** and **predominantly** in the transmission of live or recorded programs over the air or through a cable television or direct-broadcast satellite system by the broadcaster. (For purposes of this exemption, a broadcaster

includes a television or radio station licensed by the Federal Communications Commission, a television or radio broadcast network, or cable television network.) Tangible personal property purchased by a broadcaster (lessor) for lease to another person (lessee) for that person's use or consumption directly and predominantly in the production (including post production) of live or recorded programs by the person will be deemed to be used or consumed by the lessor broadcaster for purposes of determining whether the lessor broadcaster has met the direct and predominant use requirement of the exemption described in the above sentence. (See TSB-M-00(6)S for the definition of broadcaster and other terms, as well as additional information concerning this exemption.)

Item (E) — You may purchase, exempt from tax, gas or electricity or gas or electric service used or consumed **directly** and **exclusively** to provide gas or electric service of whatever nature, including operation of a gas pipeline, a gas distribution line, or an electric transmission or distribution line or to ensure the necessary working pressure in an underground gas storage facility.

Item (F) — You may purchase, exempt from tax, fuel, gas, electricity, refrigeration, and steam and gas, electric, refrigeration, and steam service used or consumed **directly** and **exclusively** in the production of tangible personal property for sale, by manufacturing, processing, assembling, generating, refining, mining, or extracting. You must pay any state and local sales and use taxes due on any part of any fuel or utility services not used for an exempt purpose. For example, electricity purchased solely to light a factory must be purchased tax paid; but electricity used for both an exempt purpose and a nonexempt purpose, such as factory lighting, may be purchased exempt. However, you must report the tax due on the electricity used for the lighting of the factory on your sales and use tax return as a purchase subject to use tax.

Item (G) — You may purchase, exempt from tax (except for the local tax imposed on sales and uses in the city of New York), fuel, gas, electricity, refrigeration, and steam and gas, electric, refrigeration, and steam service used or consumed **directly** and **exclusively** in the production of gas, electricity, refrigeration, and steam for sale by manufacturing, processing, assembling, generating, refining, mining, or extracting. You must pay any state and local taxes due on any part of any fuel or utility services not used directly and exclusively for an exempt purpose.

Part II — Exemptions for services to exempt production property

Item (H) — You may purchase the services of installing, repairing, maintaining, and servicing the machinery, equipment, apparatus, and other tangible personal property listed in items (A) through (D) above exempt from all state and local sales and use taxes.

Purchases described in Part II are exempt from all state and local sales and use taxes (including New York City).

Part III — Other exemptions - exempt for all state and local sales and use taxes

Items (I) — Tangible personal property used or consumed **directly** and **predominantly** in research and development in the experimental or laboratory sense is exempt from tax.

Item (J) — Gas, electricity, refrigeration, and steam, and gas, electric, refrigeration, and steam service used or consumed **directly** and **exclusively** in research and development in the experimental or laboratory sense may be purchased exempt from tax.

Research and Development does not include the ordinary testing or inspection of materials or products for quality control, efficiency surveys, management studies, consumer surveys,

Instructions (cont'd)

advertising, promotions, or research in connection with literary, historical, or similar projects.

Item (K) — Vendors may purchase exempt from tax cartons, containers, and other wrapping and packaging materials and supplies and components thereof used to package tangible personal property for sale if the property is actually transferred by the vendor to the purchaser of the property.

Item (L) — Enhanced emissions inspection equipment certified by the Department of Environmental Conservation for use in testing and inspecting motor vehicles as part of the enhanced emissions inspection and maintenance program required by the Federal Clean Air Act and the New York State Clean Air Compliance Act may be purchased without payment of tax. To qualify for the exemption, the equipment must be purchased and used by an official inspection station which is licensed by the Department of Motor Vehicles and authorized to conduct enhanced emissions inspections. (See TSB-M-97(8)S for further information about enhanced emissions inspection equipment.)

Item (M) — Alternative fuel vehicle refueling property is defined as property predominantly used either for (1) the storage or dispensing of alcohol, natural gas, propane, or hydrogen into the fuel tank of an alternative fuel vehicle, or (2) property used predominantly in the recharging of an electric vehicle. The storage, dispensing, or recharging must take place at the point where the fuel is delivered into the fuel tank of the vehicle or where the electric vehicle is recharged. Other qualifications for the exemption for this property are that it be subject to an allowance for depreciation and that its original use begins with the purchaser. This exemption is also allowed for the service of installing alternative fuel vehicle refueling property.

Item (N) — Commercial vessels, including property used by or purchased for the use of these vessels for fuel, provisions, supplies, maintenance, and repairs, and the services of installing, maintaining, servicing, or repairing these vessels or property may be purchased exempt from tax. To qualify for the exemption, the commercial vessel must be **primarily** engaged in interstate or foreign commerce. The exemption does **not** apply to property purchased for or used in the original equipping of a new ship, or to the services of installing this property in the equipping of a new ship. (See TSB-M-96(14)S for the definition of commercial vessels and other information concerning this exemption.)

Item (O) — Commercial aircraft and machinery or equipment to be installed on this aircraft, property used for maintenance or repair of this aircraft, and flight simulators purchased by commercial airlines may be purchased exempt from tax. To qualify for the exemption, the commercial aircraft must be **primarily** engaged in intrastate, interstate, or foreign commerce. (See TSB-M-96(14)S for the definition of commercial aircraft and other information concerning this exemption.)

Item (P) — Commercial fishing vessels used directly and predominantly in the harvesting of fish for sale (other than sport fishing vessels), including property used by or purchased for the use of these vessels for fuel, provisions, supplies, maintenance, and repairs may be purchased exempt from tax. (See TSB-M-85(17)S for the definition of commercial fishing vessels and other information concerning this exemption.)

Item (Q) — If not otherwise exempt, machinery and equipment, purchased on or after March 1, 2001, which is used directly and predominantly in the control, prevention, or abatement of pollution or contaminants from manufacturing or industrial facilities may be purchased exempt from tax.

Item (R) — Use this line to claim exemption from all sales and use taxes on qualified tangible personal property or services not otherwise specified in this certificate. Describe the exempt use

of the tangible personal property or service being purchased, and identify the applicable section of the Tax Law under which you claim exemption.

To the seller

The purchaser must give you an exempt use certificate with all entries completed no later than 90 days after delivery of the property, or the sale will be deemed to have been taxable at the time of the transaction. If you receive the certificate after the 90-day period, both you and the purchaser assume the burden of proving the sale was exempt, and additional substantiation may be required.

In addition, if you fail to collect tax as a result of accepting an improperly completed exemption certificate, you become personally liable for the tax plus any penalty and interest charges due, unless the certificate is corrected within a reasonable period of time or you otherwise prove that the transaction was not subject to tax. You must keep any exemption certificate you receive for at least three years after the due date of the last return to which it relates, or the date the return is filed, if later. You must also maintain a method of associating an exempt sale made to a particular customer with the exemption certificate you have on file for that customer.

If the *Blanket certificate* box is checked, you may consider this certificate part of any order received from the purchaser during the period that the blanket certificate remains in effect.

However, each subsequent sales slip or purchase invoice based on this blanket certificate must show the purchaser's name and address. A blanket certificate remains in effect until the purchaser gives you written notice of revocation, or you have knowledge that the certificate is false or was fraudulently produced, or until the Tax Department notifies you that the purchaser may not make exempt purchases.

Misuse of this certificate

Any person who issues a false or fraudulent exemption certificate may be liable for penalties and interest in addition to the tax initially due. Some penalties that apply are:

- 100% of the tax due
- \$50 for each fraudulent exemption certificate issued
- A misdemeanor penalty (consisting of fines not to exceed \$10,000 for an individual or \$20,000 for a corporation)
- Revocation of your *Certificate of Authority*, if you are required to be registered as a vendor.

Privacy notification

The right of the Commissioner of Taxation and Finance and the Department of Taxation and Finance to collect and maintain personal information, including mandatory disclosure of social security numbers in the manner required by tax regulations, instructions, and forms, is found in Articles 8, 28, and 28-A of the Tax Law; and 42 USC 405(c)(2)(C)(i).

The Tax Department uses this information primarily to determine and administer sales and use taxes or liabilities under the Tax Law, and for any other purpose authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Director of the Registration and Data Services Bureau, NYS Tax Department, Building 8 Room 338, W A Harriman Campus, Albany NY 12227; telephone 1 800 225-5829. From areas outside the U.S. and outside Canada, call (518) 485-6800.

Need help?

Tax information: 1 800 972-1233

Forms and publications: 1 800 462-8100

From outside the U.S. and outside Canada: (518) 485-6800

Fax-on-demand forms: 1 800 748-3676

Internet access: www.tax.state.ny.us

Hearing and speech impaired (telecommunications device for the deaf (TDD) callers only): 1 800 634-2110