



Special Requirements for Parking Facility Operators Located in Manhattan

Parking facility operators located in Manhattan have special recordkeeping requirements and are subject to certain enforcement provisions under the Tax Law.

The following types of organizations are exempt from these requirements:

- sales tax exempt organizations such as charitable and religious organizations, and
- governmental entities.

However, other persons operating a parking facility for an exempt organization or governmental entity are subject to all of the requirements of Tax Law § 1142-A.

Parking facility operators must document all exemption claims, including any exemption for parking paid by a member of a homeowners' association. For more information see, TSB-M-01(3)S, *Expanded Exclusion for Parking Charges Paid by Homeowners' Association Members*.

What the Tax Law requires of parking facility operators

Each parking facility operator in Manhattan is required to give a ticket or other documentation to each purchaser of parking services, except as described below.

The parking facility operator must keep the original or a true copy of each ticket.

Each ticket must indicate:

- the parking facility operator's name and the address of the parking facility, the date and time of entry of the purchaser's motor vehicle, and the date and time of exit, unless:
 - a flat fee is charged for the service based on time elapsed; and
 - the price indicated on the ticket is specified as a flat fee; and
 - it is not the facility operator's practice to stamp the date and time on flat-fee tickets when the purchaser pays for the parking.

Tickets issued by a parking facility operator must be:

- consecutively numbered; or
- issued electronically in a manner that is approved by the Tax Department.

The parking facility operator must submit the proposed ticket numbering system or other numbering method to the Tax Department at least 20 days prior to its use. Tax Department approval is not required when the operator:

- uses only one form and type of ticket at a facility, and
- the tickets are consecutively numbered.

Send this information to:

**NYS TAX DEPARTMENT
AUDIT – TFAB – FAM
W A HARRIMAN CAMPUS
ALBANY NY 12227-9340**

Tickets issued for a period of one month or more

If a ticket is issued to a purchaser that allows parking for a period of a month or more, the ticket must indicate either:

- the purchaser's name and signature, or
- the identification number assigned to the purchaser by the parking facility operator.

However, vendors who sell parking services on a monthly or longer-term basis, and who issue a computer access card or a prenumbered decal or tag to a purchaser of the services, are not required to give a ticket to the purchaser or to keep copies of the ticket.

For monthly or longer-term services, the parking facility operator must keep:

- a list of the name, address, and signature of each purchaser,
- the valid period of the services, and
- the number of authorized vehicles entitled to the services.

Schedule N-ATT, *Taxes on Parking Services in New York City*

Parking facility operators in New York City must complete Schedule N-ATT to report information about each parking facility they operate, including the address, maximum daily rate, licensed vehicle capacity, and license numbers issued by the New York City Department of Consumer Affairs. For locations in Manhattan, operators must also report their:

- total weekday receipts for each month;
- total weekend receipts for each month;
- total monthly receipts for nonresident parking purchased on a monthly (or longer-term) basis for each month;
- total monthly receipts for Manhattan resident parking for each month; and
- quarterly or annual totals for each of the above categories.

Hardship exemption

A Manhattan parking facility operator may apply to the department for an exemption from some or all of the additional recordkeeping requirements if the facility operator demonstrates that:

- the facility operator has limited annual liability (under \$25,000 in annual sales and use tax in any twelve-month period); and
- the rules create undue hardship for the operator.

Applications for hardship exemption should be sent to:

**NYS TAX DEPARTMENT
AUDIT – TFAB – FAM
W A HARRIMAN CAMPUS
ALBANY NY 12227-9340**

The walkabout

The Tax Department has the authority to conduct a walkabout observation of any parking facility in Manhattan. The walkabout must be conducted during the hours that the facility is open for business. The person conducting the observation must announce his or her presence at the facility and show valid identification to the owner, officer, or employee of the parking facility. For more information, see Form TP-95, *Tax Law and Regulations Relating to Walkabouts by Tax Department Employees*.

Penalties

In addition to other civil and criminal penalties, parking facility operators may also be subject to the following:

- Failure to keep any of the additional records required pursuant to Tax Law § 1142-A will subject the operator to a penalty of up to \$500 per month or part of a month.
- An additional penalty may be imposed on any parking facility operator who fails to consent to a walkabout or who interferes with the conduct of the walkabout. The penalty for failure to consent or for interference is an amount of up to \$500 for the first day of such failure to consent or interference, and up to \$1,000 for each subsequent day of noncompliance. The total of these amounts may not exceed \$10,000.
- Any parking facility operator who willfully fails to include all of the information required on the ticket or other documentation issued under § 1142-A will be guilty of a misdemeanor.

For more information, see Tax Bulletin *Sales and Use Tax Penalties* (TB-ST-805).

Tax Department obligations

The Tax Department will furnish on an annual basis:

- a copy of the Tax Law and regulations on walkabout observations, and
- a written explanation of the power of the Tax Department to conduct the walkabout, to sales tax vendors selling parking services in Manhattan.

The Tax Department will provide every parking facility operator with a notification poster that explains the facility is subject to periodic inspections by the Tax Department in order to enforce the sales and use tax laws. Parking facility operators must display the poster prominently.

Need help?



Visit our website at **www.tax.ny.gov**

- get information and manage your taxes online
- check for new online services and features

Telephone assistance

Sales Tax Information Center: 518-485-2889

To order forms and publications: 518-457-5431

Text Telephone (TTY) or TDD equipment users: Dial 7-1-1 for the New York Relay Service