

Reduction and Elimination of Sales and Use Tax Credit

Section 210.15 allows a tax credit against the tax imposed by Article 9-A for the sales or use taxes paid to New York State for the purchase of any catalytic, purifying or bleaching chemical agent used directly or predominantly in the production of tangible personal property for sale.

Chapter 625 of the Laws of 1979 has reduced the sales or use tax paid to New York State from 4% to 2% on supplies which are used directly or predominantly in production. The change will be in effect for the period September 1, 1980 through February 28, 1981. For Sales Tax reporting periods beginning on or after March 1, 1981, there will be no sales or use tax paid to New York State for these items. (See TSB-M-79(13)S)

Therefore, the tax credit allowed under Article 9-A will be reduced and eliminated in accordance with the above legislative change.

Section 210.16 allows a tax credit against the tax imposed by Article 9-A for the sales or use taxes paid to New York State for the purchase of tangible personal property for use or consumption directly or predominantly in industrial waste treatment or air, water or noise pollution abatement facilities.

This section expires on December 31, 1980.