

Concrete Accessory Items Incorporated Into Structures For
Exempt Organizations

Section 1115(a)(16) of the Tax Law provides for exemption of "Tangible personal property sold to a contractor, subcontractor or repairman for use in maintaining, servicing or repairing real property, property or land of an organization described in subdivision (a) of Section 1116, . . .; provided, however, no exemption shall exist under this paragraph unless such tangible personal property is to become an integral component part of such structure, building or real property."

The following, therefore, is the general rule for purposes of sales tax application to concrete accessory items used in contracts with exempt organizations:

Items which are incorporated into a building or structure and remain there after the concrete forms have been removed would qualify for exemption when purchased for a contract with an exempt organization.

Exempt Items (Incorporated)

Tie rods
Snap ties
Waterseal used with snap ties
Breakback snap ties

Taxable Items (Unincorporated)

Tie holders
Nut washers
Steel wedges
Plastic cones