

CREDIT OR REFUND FOR VETERINARIANS

Chapter 604, Laws of 1978, enacted July 24, 1978 and effective September 1, 1978 amends section 1119(a) of the Tax Law to allow a veterinarian to file for a credit against sales and use tax due, or a refund of sales tax paid, on purchases of drugs or medicines which he used in rendering professional services to livestock or poultry used in the production of tangible personal property for sale by farming, or which he sold to a farmer for use by the farmer on such livestock or poultry.

The change in the Tax Law does not affect the treatment of purchases by veterinarians under section 1115(f), and any veterinarian buying drugs or medicines that are used in connection with the services he renders, must pay tax at the time he makes his purchases, regardless of the use later made of the drugs or medicines.

If at the time the drugs or medicines are used the veterinarian determines he is entitled to a credit or refund, he should apply to the Central Office Audit Bureau for a refund on Form ST-137 Application for Credit or Refund of State and Local Sales or Use Tax, or, if he holds a valid Certificate of Authority, claim credit directly on his Sales Tax Return, and attach Form ST-137. The change in the law covers purchases made before September 1, 1978 if use occurs on or after; however, as the statutory limit is based on purchase, not use, any claim for refund must be filed within three years from the date the tax on the purchase was payable to the Tax Commission, regardless of date of use.

Records must be maintained to support such credit or refund claims and should include proof of purchase, disposition of drugs and medicines used, and where applicable, proof of the sale of drugs or medicines to farmers on the Farmers Exemption Certificate, Form ST-125.

Refund claims should be submitted to the address below.

New York State Department of Taxation & Finance
Central Office Audit Bureau
State Campus
Albany, New York 12227

Attn: Sales Tax Refund Unit