

New York State has enacted legislation to increase the state sales and use tax rate. **As of June 1, 2003, the state sales and use tax rate is increased to 4¼%.** Please be aware that the rates described in this locality notice do not reflect this additional ¼% increase in the state sales and use tax rate. You should also refer to Important Notice [N-03-13](#), *New York State Sales and Use Tax Rate Increase Effective June 1, 2003.*

## City of Fulton Sales and Use Tax Rate Increase Effective June 1, 2003

### Attention:

**All persons required to collect sales tax, pay compensating use tax, or both:** The city of Fulton (Oswego County) has enacted legislation to increase its local sales and use tax rate. **As of June 1, 2003, the combined state and local tax rate imposed in the city of Fulton is increased to 8%.** This includes the 4% state tax and the 4% city tax. This change will affect your tax collections and payments if you make taxable sales or deliveries to customers, or if you make taxable uses, in the city of Fulton.

Therefore, beginning June 1, 2003, **all taxable sales and uses in the city of Fulton are subject to tax at the 8% rate**, except as otherwise provided by the special transitional provisions below.

### Reporting requirements

All taxable sales made within the city of Fulton reported on page 2 of sales and use tax returns Form ST-100, Form ST-101, and Form ST-810, or on page 1 of Form ST-102, must be reported on the city of Fulton 8% entry line.

All **Schedule B** filers reporting sales of **residential** gas (including propane in containers of 100 pounds or more), electricity, and steam, and transportation and delivery charges, must enter this information on the city of Fulton 4% and 1¾% entry lines for Schedule B, Part 1. Report sales of coal, fuel oil, and wood (for heating) for **residential** use, on the city of Fulton 4% entry line for Schedule B, Part 2.

All **Schedule B and B-ATT** filers reporting sales of **nonresidential** gas (including propane in containers of 100 pounds or more), electricity, refrigeration, and steam, and transportation and delivery charges, must enter this information on the city of Fulton 8% and 2¾% entry lines for Schedule B, Part 3, and the city of Fulton 4% and 1¾% entry lines for Schedule B-ATT.

All **Schedule H** filers reporting sales within the city of Fulton of clothing and footwear eligible for exemption must enter this information on the city of Fulton 4% entry line.

All **Schedule Q** filers reporting sales of property or services eligible for exemption to a Qualified Empire Zone Enterprise (QEZE) must enter this information on the city of Fulton 4% entry line.

All **Schedule FR** filers reporting retail sales of motor fuel and diesel motor fuel, and fuel taken from inventory, as explained in the Schedule FR instructions, must enter this information on the city of Fulton 8% entry line.

### Special transitional provisions

All sales and uses occurring on or after June 1, 2003, are taxed at the rate of **8%**, except as provided below:

#### (a) Layaway sales

Receipts may be reported at the lower rate of 7% only if the following conditions are met:

- (1) before February 1, 2003, a written agreement was made and the item sold was segregated from other similar property in the possession of the vendor; and
- (2) before June 1, 2003, the purchaser has paid at least 10% of the sales price.

#### (b) Utility bills

Unless the sales are based on meter readings, sales of energy sources and services made on or after June 1, 2003, will be subject to sales tax at the rate in effect at the time of delivery to the customer, whether or not these sales were contracted for prior to any change in the sales tax rates.

Where the bill for a sale of residential or nonresidential energy sources and services is based on a meter reading that occurs on or after June 1, 2003, and the number of days from June 1, 2003, to the date of the meter reading is more than half the total number of days covered by the bill, you must report the sale at the higher rates effective June 1, 2003.

#### (c) Telephone bills

Report charges for services furnished on or after the date of the first bill dated in June 2003, at the higher rate of 8%. Report charges for services furnished before the date of the first bill dated in June 2003, at the lower rate of 7%, even though the services may be furnished after June 1, 2003.

#### (d) Telephone answering services

Prorate receipts that cover a period beginning before and ending after June 1, 2003. Receipts for the period prior to June 1, 2003, must be reported at the lower rate of 7%. Report receipts for the period on and after June 1, 2003, at the higher rate of 8%.

#### (e) Social and athletic club dues

Regardless of the date a bill is mailed, report all bills covering any period that begins on or after June 1, 2003, at the higher rate of 8%. Report all bills covering periods that begin before June 1, 2003, at the lower rate of 7%.

**(f) Admissions**

Report taxable admissions to an event occurring on or after June 1, 2003, at the higher rate of 8%, whether or not the admission charge was paid before that date, unless the tickets were sold and delivered before June 1, 2003, to the person attending the event.

**(g) Hotel occupancy**

Report all taxable daily rentals occurring on or after June 1, 2003, at the higher rate of 8%, unless the occupant pays no tax because he or she is a permanent resident (90 days of consecutive occupancy). Report all taxable daily rentals occurring before June 1, 2003, at the lower rate of 7%. If the rental is on other than a daily basis, prorate the amount of rent between the number of days taxable at the higher rate and the number of days taxable at the lower rate.

**(h) Pre-existing lump sum or unit price construction contracts**

Contractors purchasing materials in the city of Fulton for use in construction contracts pay the rate of 7% on purchases made before June 1, 2003, and 8% on purchases made on or after that date. Contractors who irrevocably entered into a pre-existing lump sum or unit price construction contract before February 28, 2003 (the date on which the local legislation was adopted), may receive a credit or refund of the additional 1% local sales and use tax paid on or after June 1, 2003. This credit or refund applies only to purchases of tangible personal property used solely in the performance of such contract.

**Need help?**

**Telephone assistance** is available from 8 a.m. to 5:55 p.m. (eastern time), Monday through Friday.

**For business tax information**, call the New York State Business Tax Information Center: 1 800 972-1233

**For general information:** 1 800 225-5829

To order forms and publications: 1 800 462-8100  
(Also see *Internet access* below.)

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



**Fax-on-demand forms:** Forms are available 24 hours a day, 7 days a week. 1 800 748-3676



**Internet access:** [www.tax.state.ny.us](http://www.tax.state.ny.us)

**Hotline for the hearing and speech impaired:**

1 800 634-2110 from 8 a.m. to 5:55 p.m. (eastern time), Monday through Friday. If you do not own a telecommunications device for the deaf (TDD), check with independent living centers or community action programs to find out where machines are available for public use.



**Persons with disabilities:** In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call 1 800 225-5829.

**If you need to write**, address your letter to:

NYS TAX DEPARTMENT  
TAXPAYER CONTACT CENTER  
W A HARRIMAN CAMPUS  
ALBANY NY 12227