

## Westchester County Sales and Use Tax Rate Increase Effective March 1, 2004

### Attention:

**All persons required to collect sales tax, pay compensating use tax, or both:** Westchester County has enacted legislation to increase its local sales and use tax rate. **As of March 1, 2004, the combined state and local tax rate imposed in Westchester County, outside the cities of Mount Vernon, New Rochelle, White Plains, and Yonkers, is increased to 7½%.** This includes the 4¼% state tax, the ¼% Metropolitan Commuter Transportation District tax, and the 3% Westchester County local 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 Westchester County.

Generally, the rates of tax imposed within the cities of Mount Vernon, New Rochelle, White Plains, and Yonkers are not affected by the tax rate increase described in this notice. However, the rate of tax imposed on sales of residential utilities in the White Plains School District (S. D.) is increased to 6%.

Therefore, beginning March 1, 2004, **all taxable sales and uses in Westchester County, outside the cities of Mount Vernon, New Rochelle, White Plains, and Yonkers, are subject to tax at the 7½% rate,** except as otherwise provided by the special transitional provisions below.

### Reporting requirements

All taxable sales made in Westchester County, outside the cities of Mount Vernon, New Rochelle, White Plains, and Yonkers, reported on sales and use tax returns Form ST-100, Form ST-101, Form ST-102, and Form ST-810, must be reported on the Westchester County (outside the cities of Mount Vernon, New Rochelle, White Plains, and Yonkers) 7½% entry line.

All **Schedule B** filers reporting sales of **residential** gas (including propane in containers of 100 pounds or more), electricity, and steam, must enter this information on the Westchester County (outside the New Rochelle S. D., the White Plains S. D., and the cities of Mount Vernon and Yonkers) 3% entry line of Schedule B, Part 1. Sales of **residential** gas (including propane in containers of 100 pounds or more), electricity, and steam, in the White Plains S. D. must be reported on the White Plains S. D. 6% entry line of Schedule B, Part 1. Sales of coal, fuel oil, and wood (for heating) for **residential** use must be reported on the Westchester County (outside the cities of Mount Vernon, New Rochelle, and Yonkers) 3% entry line of Schedule B, Part 2.

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 Westchester County (outside the cities of Mount Vernon, New Rochelle, White Plains, and Yonkers) 3% 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 Westchester County (outside the cities of Mount Vernon, New Rochelle, White Plains, and Yonkers) 7½% entry line.

### Special transitional provisions

All sales and uses occurring on or after March 1, 2004, are taxed at the rate of 7½%, 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 November 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 March 1, 2004, the purchaser has paid at least 10% of the sales price.

#### (b) Utility bills for gas and electricity based on meter readings

If the meter is read on or after March 1, 2004, and the number of days from March 1, 2004, to the date of the meter reading is more than half the total number of days covered by the bill, report sales of these services at the higher rates of 3% for residential use and 7½% for nonresidential use.

#### (c) Telephone bills

Report charges for services furnished on or after the date of the first bill dated in March 2004, at the higher rate of 7½%. Report charges for services furnished before the date of the first bill dated in March 2004, at the lower rate of 7%, even though the services may be furnished on or after March 1, 2004.

#### (d) Telephone answering services

Prorate receipts that cover a period beginning before and ending on or after March 1, 2004. Receipts for the period prior to March 1, 2004, must be reported at the lower rate of 7%. Report receipts for the period on and after March 1, 2004, at the higher rate of 7½%.

#### (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 March 1, 2004, at the higher rate of 7½%. Report all bills covering periods that begin before March 1, 2004, at the lower rate of 7%.

**(f) Admissions**

Report taxable admissions to an event occurring on or after March 1, 2004, at the higher rate of 7½%, whether or not the admission charge was paid before that date, unless the tickets were sold and delivered before March 1, 2004, to the person attending the event.

**(g) Hotel occupancy**

Report all taxable daily rentals occurring on or after March 1, 2004, at the higher rate of 7½%. Report all taxable daily rentals occurring before March 1, 2004, 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 Westchester County for use in construction contracts pay the rate of 7% on purchases made before March 1, 2004, and 7½% 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 24, 2004 (the date on which the local legislation was adopted), may receive a credit or refund of the additional ½% local sales and use tax paid on or after March 1, 2004. This credit or refund applies only to purchases of tangible personal property used solely in the performance of such contract.

**Need help?**



**Internet access:** [www.nystax.gov](http://www.nystax.gov)  
(for information, forms, and publications)



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



**Telephone assistance** is available from 8:00 A.M. to 5:00 P.M. (eastern time), Monday through Friday.

To order forms and publications: 1 800 462-8100

Business Tax Information Center: 1 800 972-1233

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



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

If you have access to a telecommunications device for the deaf (TDD), contact us at 1 800 634-2110. If you do not own a 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 1 800 972-1233.



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

NYS TAX DEPARTMENT  
BUSINESS TAX INFORMATION CENTER  
W A HARRIMAN CAMPUS  
ALBANY NY 12227