

New York State Department of Taxation and Finance  
**Taxpayer Services Division**  
**Technical Services Bureau**

TSB-A-81(3)S  
Sales Tax  
August 4, 1981

STATE OF NEW YORK  
STATE TAX COMMISSION

ADVISORY OPINION

PETITION NO. S810327A

On March 27, 1981 a Petition for Advisory Opinion was received from Mary B. Letter Shop, 12 Lois Lane, Old Bethpage, New York 11804.

The issue raised is whether Petitioner is required to collect sales tax from a customer (a publishing firm) for whom Petitioner performs various services, as follows:

- a. The publisher forwards books to Petitioner, which packages and ships the books to the publisher's customers.
- b. Petitioner invoices the publisher's customers.
- c. Petitioner holds the publisher's inventory at Petitioner's place of business.
- d. Petitioner picks up mail for the publisher at the Post Office and, where necessary, corresponds with the publisher's accounts relative to the books shipped.
- e. Petitioner maintains records relative to the inventory of the books which are at its place of business, maintaining all shipping records of books shipped, as well as current inventory data.

Section 1105(c) of the Tax Law imposes a tax on ". . . The receipts from every sale, except for resale, of the following services:

(1) The furnishing of information by printed, mimeographed or multigraphed matter . . . but excluding the furnishing of information which is personal or individual in nature and which is not or may not be substantially incorporated in reports furnished to other persons . . .

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(3) Installing tangible personal property, or maintaining, servicing or repairing tangible personal property not held for sale in the regular course of business . . .

(4) Storing all tangible personal property not held for sale in the regular course of business . . . . "

The services of shipping, billing, picking up mail, and corresponding with the publisher's accounts, which are performed by Petitioner, are not among the taxable services enumerated in section 1105(c) of the Tax Law. Receipts from the sale of these services are accordingly not subject to the sales tax.

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The business records kept by Petitioner for the publisher are individual in nature and are maintained solely for the benefit of the publisher. This service is thus not a taxable information service within the meaning of section 1105(c)(1) of the Tax Law and is, therefore, not subject to the sales tax.

The books packaged by Petitioner are held for sale in the regular course of business. The packaging service performed by Petitioner is, therefore, not subject to sales tax under section 1105(c)(3) of the Tax Law.

The books stored by Petitioner are also held for sale in the regular course of business. The storage service performed by Petitioner is, therefore, not subject to sales tax under section 1105(c)(4) of the Tax Law.

None of the services described by Petitioner are subject to the sales tax. As an aid to establishing such non-taxable status Petitioner should obtain from its customer a properly completed Exempt Use Certificate (Form ST-121), indicating under the box designated "Other" that the books packaged and stored by Petitioner are held for sale in the course of the publisher's business.

DATED: July 17, 1981

s/LOUIS ETLINGER  
Deputy Director  
Technical Services Bureau