

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

TSB-A-87(42)S
Sales Tax
November 16, 1987

STATE OF NEW YORK
COMMISSIONER OF TAXATION AND FINANCE

ADVISORY OPINION

PETITION NO. S870818A

On August 18, 1987, a Petition for Advisory Opinion was received from Broome Steam Carpet Cleaning Inc., 2401 Vestal Parkway East, Vestal, New York 13850.

The issue raised is whether the service of cleaning automobile carpeting and upholstery is subject to New York State and local sales or use taxes.

Section 1105(c)(3) of the Tax Law imposes a tax on the services of maintaining, servicing and repairing tangible personal property not held for sale in the regular course of business.

Sales and Use Tax Regulation Section 527.5 explains further:

(a)(3) Maintaining, servicing and repairing are terms used to cover all activities that relate to keeping tangible personal property in a condition of fitness, efficiency, readiness or safety or restoring it to such condition Example 5: The charge for washing an automobile is taxable, whether the washing is performed manually or by a coin-operated machine.

(b) EXCLUSIONS (3) Tax is not imposed on the services of laundering, dry cleaning, tailoring, weaving, pressing, shoe repairing and shoe shining.

The Department of Taxation and Finance has followed the policy of applying this exclusion not only to services performed on apparel but also to the cleaning of wall-to-wall carpeting, rugs, drapes and of upholstery, whether covered in cloth, vinyl fabric or leather. Matter of Rando Enterprises, Decision of the State Tax Commission, Dec. 23, 1971, STM 72-20; Matter of Delta Sonic Car Wash Systems, Decision of the State Tax Commission, Jan. 9, 1987, TSB-H-87(48)S.

Consequently, charges for cleaning automobile carpets, upholstery and other car interior surfaces covered in fabrics or leather by applying cleaning compounds or solvents, are not taxable.

The exclusion, however, does not apply to the mere vacuuming of car interiors or to other services incidental to washing automobiles such as wiping floor mats, waxing the exterior and cleaning vinyl tops.

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Additionally, it should be noted that Petitioner must pay sales tax on its purchases of tangible personal property (machinery, tools, supplies, etc.) used or consumed in the performance of its services. Accordingly, Petitioner may find it helpful to review Technical Services Bureau Memorandum Taxable Status of Supplies Used by Auto Body Repair Shops, May 11, 1981, TSB-M-81(8)S.

DATED: November 16, 1987

s/ANDREW F. MARCHESE
Chief of Advisory Opinions
Technical Services Bureau

NOTE: The opinions expressed in Advisory Opinions
are limited to the facts set forth therein.