

Important Notice Regarding Exempt Organizations

Beginning January 1, 1996, organizations granted exemption from sales tax under sections 1116(a)(4) or 1116(a)(5) of the Tax Law may purchase unenhanced diesel motor fuel or residual petroleum product totally exempt from the petroleum business tax.

Organizations exempt under section 1116(a)(4) of the Tax Law include religious, charitable, scientific, testing for public safety, literary or educational organizations; organizations which foster national or international amateur sports competition; and organizations for the prevention of cruelty to children or animals. Section 1116(a)(5) exempt organizations are posts and organizations consisting of past or present members of the Armed Forces of the United States.

Certain conditions must be met before these organizations may claim exemption for the petroleum business tax on fuel oil purchases. These conditions are:

- ! The fuel must be delivered to the premises occupied by the exempt organization.
- ! The fuel must be used in the furtherance of the organization's exempt purposes.
- ! The exempt organization cannot consume the fuel on New York State highways.
- ! The fuel may not be used in any unrelated business activities.
- ! A properly completed exemption certificate must be given to the fuel supplier.

Enclosed for your information is a copy of the revised Form FT-1021A, *Certification for Purchases of Unenhanced Diesel Motor Fuel or Residual Petroleum Product by Certain Exempt Organizations* (for purchases after December 31, 1995). **A copy of this form must be given to your heating fuel supplier in order to claim exemption on qualified purchases.**