

TAXABILITY OF PURCHASES AND SALES
BY CABLE TELEVISION AND OTHER TRANSMISSION SERVICE COMPANIES

PURCHASES

The following purchases made by cable television and other transmission service companies (master antenna, community antenna and music service) are subject to applicable New York State and local tax.

1. Advertising material (brochures, leaflets, booklets, etc.)
2. Alternate power sources:
 - a. Generator
 - b. Foundation (material taxable to the installer, labor exempt if capital improvement).
3. Automatic and non-automatic remote switching equipment and controllers.
4. Background radios.
5. Bandpass filters.
6. Batteries.
7. Battery cabinets and equipment for changing battery d.c. to a.c. and charging batteries.
8. Brackets, bridle rings, insulators, knobs, span clamps, screws, sleeves, tubes, and other material used in the installation of drop and block wires.
9. Built-in test points.
10. Cleaning equipment and supplies.
11. Combing wire network equipment.
12. Connecting blocks, ground wires, ground rods, clamps, cleats, nails, screws, inside wiring and cable.
13. Converter transformer.
14. Data couplers and associated equipment for generation of alpha-numeric or message wheeltypes channels.

15. Desks and tables:
 - a. Holding headend equipment.
 - b. Holding other equipment.
16. Electronic data processing equipment and related supplies.
17. Films: purchased-taxable; rented-rate of tax determined by coverage area-subscribers.
18. Frames which hold and include processor, modulators, background radios.
19. Headend internal wiring (jumper wires, cables).
20. Headend lighting fixtures.
21. Headend structure (if it results in a capital improvement - materials taxable to installer, labor exempt).
22. Intercom.
23. Labor to install transmission cables on poles belonging to utility company under a contract which requires the cable company to remove the material at termination of contract.
24. Labor charges for installation, alteration, renovation or repair of all machinery or equipment.
25. Line amplifiers.
26. All machinery, equipment, parts, hand tools, supplies, utilities and fuel.
27. Mailing lists (purchase or rental).
28. Meters for flow testing in lines (portable and permanent).
29. Microwave equipment.
30. Microwave, VHF, UHF, FM and AM Radio, pre-amplifiers, power supplies, antennas and supports (but not foundations).
31. Minor building repairs (material and labor).
32. Modulators.
33. Monitor.
34. Motor vehicles.
35. Newswire, teletypes, couplers, alpha-numeric generators, message wheels, and associated equipment.
36. Office equipment and supplies.
37. Operators chairs.

38. Operators head sets (monitoring).
39. Parts for all machinery and equipment.
40. Power supplies for amplifiers.
41. Printed material (annual reports, quarterly reports, business forms, training manuals, envelopes, etc.).
42. Rheostats.
43. Rolling ladders.
44. Shelving and storage racks.
45. Signal processor.
46. Speaker phone.
47. Supplies used in connection with machinery or equipment.
48. Switchers, Patch panels.
49. Television cameras used to produce own programs.
50. Television equipment to initiate signal.
51. Test boards to see if equipment is operating properly.
52. Testing equipment (permanent and portable).
53. Tools used in connection with machinery or equipment.
54. Transmission cables from headend building to convertor equipment.
55. Trash removal.
56. Wire connecting convertor transformer to television set.
57. Wires (or small cables used instead of wires) installed specifically to serve as trunk, battery, or generator circuits from a large private branch exchange to the point of connection with the permanent house or outside cable or cables.

The following purchases are exempt from New York State and local tax.

1. Telephone and telegraph service used by a cable television company in the collection or dissemination of news (if the charge for such service is a toll charge or a charge for mileage service, including the associated station terminal equipment).

Charges for the following services -

1. Cable television
2. Master antenna
3. Community antenna
4. Music service (Muzak, etc.)

offered by cable television and other transmission service companies are not subject to New York State and local tax.

Also deposits on tangible personal property rented, leased or loaned are not deemed to be taxable receipts, but are collateral security for return of the property. However, upon the return of the rented, leased or borrowed property, any amounts not refunded to the customer constitute taxable receipts.

The following charges by cable television and other transmission service companies are subject to New York State and local tax.

1. Installation charge for initial hook-up to cable television and other transmission systems.
2. Charges for repairing or replacing damaged cable.
3. Sales and rentals of films.