

1985 AMENDMENTS TO THE SALES TAX LAW

Article 28

<u>Law Section</u>	<u>Chapter</u>	<u>Legislative Bill Section</u>	<u>TSB-M*</u>	<u>Brief Summary</u>
1101	44	18, 19	85(7)S	<u>First Import Bill</u> - Approved April 17, 1985, provides for the prepayment of sales tax by a distributor on all motor fuel (gasoline) imported, manufactured, sold or used in New York State. Retail sellers of motor fuel (gasoline) are required to collect and remit sales tax on their actual selling price and are allowed a credit for sales tax paid to their suppliers.
1102		20	85(8)S	
1111		21, 22		
1115		23		
1116		24		
1119		25		
1120		26		
1132		27, 28, 29		
1134		30		
1135		31		
1136		32		
1138		33		
1145		34		
1148		35		
all of the above		42		
1101	65	76	85(11)S	<u>Omnibus Tax Equity and Enforcement Act.</u> Approved April 17, 1985 amended the Tax Law, the Civil Practice Law and Rules, the Criminal Procedure Law and the Administrative Code of the City of New York in relation to strengthening the provisions of such laws and code to combat tax evasion and delinquency.
1131		77	85(11.1)S	
1132		78	85(11.1)S	
1134		79	supplement	
1135		80	85(11.2)S	
1137		81		
1138		82, 83		
1141		84		
1142		85		
1143		31,32		
1145		33,86		
1146		34,87		
1147		88		
all of the above			160	
1101	765	30, 31		
1131		13, 31		
1132		14		
1134		15, 16		
1135		17, 30		
1138		18		
1142		19		
1145		19-a, 29-a		
1147		20		
all of the above		87		

\*See appropriate TSB-M for additional information.

<u>Law Section</u>	<u>Chapter</u>	<u>Legislative Bill Section</u>	<u>TSB-M*</u>	<u>Brief Summary</u>
1115	847	1, 2	85(15)S	<u>Natural Gas Used by Owner of Gas Well Site</u> - Approved August 2, 1985 and effective September 1, 1985, provides an exemption from sales and use tax for natural gas furnished to the landowner of a natural gas well site for use in the landowner's personal residence. The natural gas must be set aside for the landowner's use pursuant to a lease between the landowner and the lessee of the property and (1) come from a well located on the user's property (even if the well site and residence are not located on the same piece of property) or (2) be provided in exchange for gas from a natural gas well located on property owned by such landowner.
1132	484	11, 12, 15	85(16)S	<u>Vessel Registration</u> - Approved July 24, 1985 and effective <u>April 1, 1986</u> , amends the Tax Law by replacing every reference to the word "motorboat" with the word "vessel", and requiring that any sales or use tax due on such "vessel" be paid before the registration thereof.
1105 1115	799	1, 3 2, 3	85(17)S	<u>Commercial Fishing Vessels</u> - Approved and effective August 1, 1985, provides exemption from all sales taxes (state, local and MAC imposed in New York City) levied on receipts from (1) the sale of commercial fishing vessels used directly and predominantly in the harvesting of fish for sale and (2) the sale of property used or purchased for the use of such vessels.

\*See appropriate TSB-M for additional information.

<u>Law Section</u>	<u>Chapter</u>	<u>Legislative Bill Section</u>	<u>TSB-M*</u>	<u>Brief Summary</u>
				It also exempts receipts from services rendered with respect to (1) the repair, maintenance and servicing of these fishing vessels and (2) the property used for such services.
1111 1111 1118	286 287	46, 49 9, 12 10, 12	85(18)s	<u>Racehorses Obtained Through Claiming Races</u> - Approved June 30, 1985 and effective July 1, 1985, provides that (1) racehorses obtained through claiming races within New York State are subject to sales tax only on the portion of the total purchase price which exceeds the highest of any purchase prices on which sales tax was previously paid at claiming races in New York State for the same horse during the same calendar year; (2) the use of a racehorse will be exempt from use tax in all instances when the sale of such racehorse would be exempt from sales tax under #1 above; and (3) a racehorse purchased outside New York State and brought into the State for purposes of racing at parimutuel wagering events, shall not be taxable on any amount in excess of \$100,000.
1105	830	1, 2	85(19)S	<u>Railroad Rolling Stock</u> - Approved August 2, 1985 and effective September 1, 1985, provides an exemption from sales and use tax on purchases of services of installing, maintaining, servicing, or repairing railroad rolling stock primarily engaged in carrying freight in interstate, intrastate or foreign commerce.

\*See appropriate TSB-M for additional information.

<u>Law Section</u>	<u>Chapter</u>	<u>Legislative Bill Section</u>	<u>TSB-M*</u>	<u>Brief Summary</u>
				The charge for parts or any other tangible personal property remain subject to tax even when (1) such property becomes a physical component part of the property being serviced, or (2) the property is transferred to the purchaser of the services in conjunction with the performance of taxable services.

Article 29

<u>Law Section</u>	<u>Chapter</u>	<u>Legislative Bill Section</u>	<u>TSB-M*</u>	<u>Brief Summary</u>
1261	44	36, 42	85(7)S 85(8)S	See Chapter 44 under Article 28
1212-A	273	1, 2	85(10)S	<u>New York City Imposition on Selected Services</u> - Approved June 25, 1985, extends for one year (September 1, 1985 through August 31, 1986 ) the right of New York City to impose a sales and use tax on certain selected services.
1212-A	330	1, 5	85(14)S	<u>Exemption from the Additional 8% Tax Charged in Manhattan for Parking, Garaging or Storing a Motor Vehicle</u> - Approved July 16, 1985 and effective September 1, 1985, provides exemption from the additional 8% sales tax imposed in Manhattan on the services of parking, garaging or storing of a motor vehicle. This exemption is available to an individual who maintains a primary residence in New York County (Manhattan) and who obtains such services on a monthly basis or longer.
1214	484	13, 15	85(16)S	See Chapter 484 under Article 28

\*See appropriate TSB-M for additional information.

<u>Law Section</u>	<u>Chapter</u>	<u>Legislative Bill Section</u>	<u>TSB-M*</u>	<u>Brief Summary</u>
1262	73	1,2	—	<u>Disposition of Sales Tax Revenues-</u> Approved and effective May 1, 1985, provides for the allocation and distribution of revenues from sales and use taxes within the village of Barker and town of Somerset, Niagara County.
1262	700	1, 2	—	<u>Disposition of Sales Tax Revenue -</u> Approved and effective August 1, 1985, provides for the distribution of sales tax revenue by Saratoga County to the town of Milton.
1221	912	2, 3, 4	—	<u>Limits of Authority to Impose Tax on Utility Companies -</u> Approved August 21, 1985 and effective retroactively to July i, 1979, provides for New York City to continue to impose a 2.35% tax on utility companies.
1202	85	1, 2	—	<u>Hotel or Motel Taxes in Schenectady County -</u> Approved and effective May 14, 1985, authorizes Schenectady County to impose a tax on hotel and motel occupancy within such county.
1201	551	2, 8	—	<u>Credits Against Taxes Administered by Cities of One Million or More -</u> Approved and effective July 26, 1985, provides for any utility company subject to supervision by the Public Service Commission and required to grant rebates on bills for electricity or natural gas, to be entitled to a credit for such rebates against the tax to be paid pursuant to any gross receipts tax imposed by local law.

\*See appropriate TSB-M for additional information.

<u>Law Section</u>	<u>Chapter</u>	<u>Legislative Bill Section</u>	<u>TSB-M*</u>	<u>Brief Summary</u>
1201	385	7, 11	-	<u>Paratransit Transportation</u> - Approved and effective July 19, 1985, amends the Tax Law relative to the financing of paratransit transportation.

Article 37\*\*

<u>Law Section</u>	<u>Chapter</u>	<u>Legislative Bill Section</u>	<u>TSB-M*</u>	<u>Brief Summary</u>
1817 1825 1826 1827 1838 1839 all of the above 1817	65      765	39      160 25, 26, 87	85(11.2)S      85(11.2)S	See "Summary" under Article 28, Chapter 65.

1985 Amendment Affecting The Tax Law

<u>Law Section</u>	<u>Chapter</u>	<u>Legislative Bill Section</u>	<u>TSB-M*</u>	<u>Brief Summary</u>
-	66	1, 3	-	<u>Amnesty</u> - Approved April 17, 1985, provides a one time only program for a period of three months, during which time a taxpayer may declare and pay a sales and use tax liability, plus interest, but without paying any penalty. Pursuant to this legislation, the Department designated the amnesty period to be effective November 1, 1985 through January 31, 1986.

\*See appropriate TSB-M for additional information.

\*\* This article was added to the Tax Law in 1985.