



## Department of Taxation and Finance

### Important:

The state and local sales and use tax rates and/or reporting code information in this TSB-M are out-of-date.

For the most up-to-date state and local sales and use tax rates, reporting code information, and other information, see the Department of Tax and Finance website: [Find sales tax rates](#).

The TSB-M begins on page 2 below.

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

TSB-M-89 (3)S  
Sales Tax  
February 1, 1989

PUTNAM COUNTY INCREASES ITS LOCAL  
SALES AND USE TAX FROM 2% to 3%

Effective March 1, 1989, the local sales and use tax imposed throughout Putnam County is increased by 1%. As a result of this increase, all taxable sales of tangible personal property and services, except sales of residential energy sources and services\*, made within Putnam County on and after March 1, 1989, will be taxed at the combined state and local tax rate of 7 1/4% (4% New York State, 1/4% MCTD and 3% Putnam County). Taxable sales made within Putnam County on and after March 1, 1989, that are subject to the local tax only, will be taxed at the rate of 3%.

For proper distribution of state and county sales and use tax revenues, the reporting codes and tax rates for Putnam County will be changed on all affected returns and schedules which are to be filed for periods beginning on or after March 1, 1989. Taxable sales made in Putnam County on and after that date are to be reported using the following tax rates and codes:

<u>Return or Schedule</u>	<u>Tax Rate</u>	<u>Code</u>
ST-S10 - Quarterly Return for Part-Quarterly Filers	7 1/4%	3714
ST-100 - Quarterly Return	7 1/4%	3714
ST-101 - Annual Return	7 1/4%	3714
Schedule FR - used to report tax on motor fuel and diesel motor fuel	7 1/4%	R3714
Schedule U - used to report tax on parts, tools and supplies used in production (subject to tax in New York City only) and tax on services to production machinery, equipment, parts, tools and supplies	3%	3726

\* See TSB-M-78(7)S for information on residential energy sources and services.

## TRANSITIONAL PROVISIONS

### Layaway Sales

The increased county tax applies to all layaways where the purchaser takes possession of (picks up) the merchandise on or after March 1, 1989, unless:

- the merchandise was purchased under a written agreement that was entered into prior to November 1, 1988; and
- the merchandise was taken out of inventory and set aside for the customer before November 1, 1988; and
- at least 10% of the sale price was paid before March 1, 1989.

If all three of the above conditions are met, then the sale will be taxed at the pre-March 1, 1989 tax rate.

### Utility Bills Based on Meter Readings

When a bill is issued based on a meter reading that occurred before March 1, 1989 the increased tax rate does not apply to any charges based on such reading. When a meter is read on or after March 1, 1989, the increased tax rate applies to the total amount billed, based on such reading, if more than one-half the number of days included in the period covered by the bill fall on or after March 1, 1989. If more than one-half the number of days in the billing period fall before March 1, 1989, then the pre-March 1, 1989 tax rate applies.

### Telephone Bills

Charges for telephone service (other than charges for which a bill was previously issued) which appear on the first bill dated on or after March 1, 1989, are subject to the increased sales and use tax rate unless they are charges for services which were furnished prior to the date of the bill.

Any charges for services which were furnished before the date of the first bill dated on or after March 1, 1989, will be subject to the pre-March 1, 1989 tax rate, regardless of when such charges are actually billed.

### Hotel/Motel Room Bills

When charges for hotel or motel room occupancy are billed on a daily basis, then the increased tax applies to all such charges billed on or after March 1, 1989.

When charges for hotel or motel room occupancy are billed on other than a daily basis, the increased tax applies only to that portion of the bill which covers the days falling on or after March 1, 1989; the balance of the billing is subject to the pre-March 1, 1989 tax rate.

When the occupant of the hotel or motel room is a permanent resident (that is, occupies the room for 90 or more consecutive days), then there is to be no tax charged on the rental of the room.

#### Admission Charges

The increased sales and use tax applies to taxable admissions for any event occurring on or after March 1, 1989 unless the admission tickets were actually sold and delivered to the purchaser before March 1, 1989. This is true whether or not the admission charge was paid prior to March 1, 1989.

Taxable admissions for events occurring before March 1, 1989, are subject to the pre-March 1, 1989 sales and use tax rate, as are admission tickets which are sold and delivered prior to March 1, 1989.

#### Social and Athletic Club Dues

The dues paid for membership (including membership renewals) in a social or athletic club are subject to the increased sales and use tax rate, if the membership period begins on or after March 1, 1989. The increased tax rate applies regardless of when the dues are billed, or paid, or the payment terms.

The dues paid for memberships which begin before March 1, 1989, are not subject to the increased sales and use tax rate even though payment may actually be made on or after March 1, 1989. Such dues are subject to the pre-March 1, 1989 sales and use tax rate.

#### Lump-Sum or Unit-Price Construction Contracts

If a lump-sum or unit-price construction contract was irrevocably entered into before November 1, 1988, (the date the Putnam County resolution was adopted), the contractor will be allowed a credit or refund of the increased sales or use tax paid on purchases of tangible property used solely in the performance of this contract.