



College Textbooks - Exemption Form ST-121.4

Introduction

Textbooks purchased by college students may be exempt from New York State and local sales and use taxes. To make tax-exempt textbook purchases, the student may have to complete [Form ST-121.4](#), *Textbook Exemption Certificate*, and give it to the seller. This bulletin describes how the exemption certificate works and explains:

- how to use the certificate,
- related recordkeeping requirements, and
- penalties that may be imposed for misuse of the certificate.

For a purchase to be exempt from sales tax:

- The textbook must be purchased by a full- or part-time student who is enrolled at an institution of higher education and be for use in his or her course.
- The textbook must be required or recommended for the student's course, either by the instructor or by the institution.
- The student must provide a valid student identification card or other evidence of enrollment at the time of purchase.

To make an exempt sale, the seller must either have a list of eligible textbooks or receive a properly completed [Form ST-121.4](#), *Textbook Exemption Certificate*, from the student. If the institution or course instructor has not provided a list of eligible books, a textbook is exempt from tax only if the student gives the seller a properly completed certificate.

For more information on the sales tax exemption for textbooks, see Tax Bulletin [College Textbooks \(TB-ST-125\)](#).

How to use Form ST-121.4

As a student purchaser, you must use this certificate if the seller does not have, and you cannot give the seller, a list of required or recommended textbooks for the course you are taking at the institution where you are enrolled.

The exemption applies **only** to textbooks described above. It does not apply to other required supplies, notebooks, or books not required or recommended for a course.

You must show the seller at the time of purchase your valid student ID card issued by the institution of higher education where you are enrolled as a full- or part-time student.

If the institution where you are enrolled does not issue student ID cards, enter *school does not issue student IDs* in the *Student's ID number* box and provide the seller with other valid evidence of enrollment at an institution of higher education, as described in the instructions for [Form ST-121.4](#).

If you are purchasing eligible textbooks over the Internet or by mail, you must provide the seller your name, address, valid student ID number, and the name and address of the institution where you are enrolled.

Recordkeeping

The seller must check the student ID (if available) to verify that the purchaser is a student currently enrolled at an institution of higher education. To substantiate an exempt sale, the seller must keep:

- a copy of the required or recommended list of textbooks furnished by the course instructor or institution of higher education;
- a copy of the instructor's or institution's list furnished by the student; or
- a properly completed certificate.

If the purchase was made over the Internet or by mail, in addition to a copy of the list of books or this certificate, the seller must retain and associate the student ID card number and other student ID information with the sales record of the transaction. See Tax Bulletin [College Textbooks \(TB-ST-125\)](#), for more information.

If the seller does not have a copy of the list of textbooks as described above, the seller will be protected from liability for the tax if the seller accepts in good faith a properly completed [Form ST-121.4](#) (and related documentation) within 90 days of the date of sale.

Penalties

Misuse of this exemption certificate may subject you to serious civil and criminal sanctions in addition to the payment of any tax and interest due. These include:

- a penalty equal to 100% of the tax due;
- a \$50 penalty for each fraudulent exemption certificate issued; and
- criminal felony prosecution, punishable by a substantial fine and a possible jail sentence.

Note: A Tax Bulletin is an informational document designed to provide general guidance in simplified language on a topic of interest to taxpayers. It is accurate as of the date issued. However, taxpayers should be aware that subsequent changes in the Tax Law or its interpretation may affect the accuracy of a Tax Bulletin. The information provided in this document does not cover every situation and is not intended to replace the law or change its meaning.

References and other useful information

Tax Law: Sections 1115(a)(34) and 1145(a)(5)

Memorandum: [TSB-M-98\(4\)S](#), *Sales and Use Tax Exemption for College Textbooks*

Bulletins:

[College Textbooks \(TB-ST-125\)](#)

[Recordkeeping Requirements for Sales Tax Vendors \(TB-ST-770\)](#)

[Sales and Use Tax Penalties \(TB-ST-805\)](#)