



Quick Reference Guide for Taxable and Exempt Property and Services

Introduction

Sales of tangible personal property are subject to New York sales tax unless they are specifically exempt.

Sales of services are generally exempt from New York sales tax unless they are specifically taxable.

This bulletin describes:

- taxable property and services,
- exempt property and services, and
- exemption documents.

Tangible personal property and services

Whether sales of a particular good or service are taxable may depend on many factors. You should consult our publications and tax bulletins for more detailed explanations of what property and services are subject to sales tax. See the listing below for examples of taxable tangible personal property and services.

The term *tangible personal property* means any kind of physical personal property that has a material existence and is perceptible to the human senses (in other words, something you can see and touch).

Examples of taxable tangible personal property, services, and transactions that are subject to sales tax are:

- tangible personal property:
 - furniture, appliances, and light fixtures;
 - certain clothing and footwear;
 - machinery and equipment, parts, tools, and supplies;
 - computers;
 - prewritten (canned/off-the-shelf/standard) computer software (whether transferred by CD-ROM, Internet download, remote access, etc.);
 - motor vehicles;
 - boats and yachts (however, see also [TSB-M-15\(2\)S](#), *Changes to the Application of Sales and Use Tax to Vessels*);
 - fuels (for example, gasoline, diesel fuel, and kero-jet fuel);
 - candy and confections;
 - bottled water;
 - soda and beer;
 - cigarettes and tobacco products;
 - cosmetics and toiletries;
 - jewelry;
 - artistic items such as sketches, paintings, and photographs;
 - animals (for example, dogs, cats, or pet birds);
 - food and supplies for animals;

- trees, shrubs, and seeds;
- coins and other monetary items, when purchased for purposes other than for use as a medium of exchange;
- building materials; and
- prepaid telephone calling cards.
- restaurant food and drink;
- utility and (intrastate) telecommunication services;
- telephone answering services;
- prepaid telephone calling services;
- mobile telecommunication services;
- certain information services;
- processing, fabricating, printing, or imprinting of tangible personal property for a customer who furnishes the tangible personal property and doesn't plan to resell it;
- maintaining, installing, servicing, and repairing of tangible personal property;
- storing tangible personal property (does not include certain rentals of mini-storage units that constitute the rental of real property - see Tax Bulletin [Household Movers and Warehouse - General \(permanent\) storage and portable storage containers \(TB-ST-340\)](#) and [TSB-M-86\(3\)S](#), Taxable Status of the Rental of Self-Service Mini-Storage Units);
- maintaining, servicing, and repairing real property;
- certain parking and garaging or storing of motor vehicles;
- interior decorating and design services;
- protective and detective services;
- passenger transportation services with a driver using limousines, black cars, and certain other motor vehicles (not including taxi and bus services – see [TSB-M-09\(7\)S](#), *Additional Guidance Relating to the Sales Tax on Certain Transportation Services*), and [TSB-M-13\(2\)S](#), *Revised Policy Concerning the Application of the Sales Tax Exclusion for Certain Transportation Services Provided by an Affiliated Livery Vehicle in New York City*;
- furnishing or providing entertainment or information by telephony or telegraphy or by telephone or telegraph service, provided, for example, over phone numbers with an 800 or 900 prefix;
- hotel occupancy;
- admission charges to a place of amusement;
- social and athletic club dues; and
- certain portions of cabaret charges.

Services subject only to New York City sales tax are:

- beautician services, barbering, and hair restoring;
- tanning;
- manicure and pedicure;
- electrolysis;
- massage services;
- services provided by weight control and health salons, gymnasiums, Turkish and sauna baths, and similar facilities, including any charge for the use of these facilities;
- written or oral credit rating services (see [TSB-M-15\(4\)S](#), *New York City Local Sales Tax on Credit Rating Services*); and
- oral credit reporting services not delivered by telephone.

Tax exempt property and services

The chart below lists property and services that are generally exempt from sales tax. It also lists:

- Tax Law sections that provide the exemption;
- department publications, bulletins, and technical memoranda (TSB-Ms) that are relevant to the exemption; and

- exemption documents, if any, that the customer must give to the seller for the sale to be treated as exempt from tax.

Specific exemption	Tax Law section(s)	Publications, Bulletins, or TSB-Ms	Exemption document required
Purchases by vendors of certain property or services that are intended for resale ¹	1101(b)(4) 1105(b), and 1105(c)	TB-ST-240	ST-120
Building or installing a capital improvement	1105(c)(3)(iii) and 1105(c)(5)	Pub 862 TB-ST-104 TB-ST-505	ST-124
Receipts paid to a homeowners' association by its members for parking services	1105(c)(6) and 1212-A(a)(1)	TSB-M-97(12)S TSB-M-01(3)S	none
Laundering, dry cleaning (including carpet, rug, drapery, and upholstery cleaning services), tailoring, weaving, pressing, shoe repairing, and shoe shining	1105(c)(3)(ii)	Pub 750 TSB-M-02(4)S	None
Admission charges to certain places of amusement	1105(f)(1)	TB-ST-8 TB-ST-30	none
Certain residential energy sources and services ²	1105-A	Pub 718-R TB-ST-775	TP-385
Certain food and drinks	1115(a)(1)	TB-ST-65 TB-ST-103 TB-ST-135 TB-ST-160 TB-ST-280 TB-ST-283 TB-ST-525 TB-ST-835	none
Water delivered through mains or pipes	1115(a)(2)		none
Drugs, medicines, medical equipment and related services, and certain medical supplies ³	1115(a)(3) and 1115(g)	Pub 822 Pub 840 TB-ST-193 TSB-M-14(8)S	none
Feminine hygiene products	1115(a)(3-a)	TSB-M-16(6)S	none
Prosthetic aids and devices and related services	1115(a)(4) and 1115(g)	Pub 822 Pub 840 TSB-M-06(5)S TSB-M-14(8)S	none
Newspapers and qualified periodicals	1115(a)(5)	TB-ST-620 TSB-M-12(1)S	none
Property or services used in farming or commercial horse boarding, including fuel and utilities	1115(a)(6) and 1115(c)(2)	TB-ST-244 TB-ST-253 TSB-M-00(8)S	ST-125
Sales by funeral homes	1115(a)(7)		none
Commercial vessels	1115(a)(8)	TSB-M-96(14)S	ST-121
Commercial aircraft, certain related property, and fuel	1115(a)(9) and 1115(a)(21)	TSB-M-96(14)S TSB-M-09(4)S	ST-121
General aviation aircraft, and property and services related to their maintenance	1115(a)(21-a) 1115(dd)	TSB-M-04(8)S TSB-M-09(18)S TSB-M-15(3)S	ST-121

Specific exemption	Tax Law section(s)	Publications, Bulletins, or TSB-Ms	Exemption document required
Property and utilities used in research and development	1115(a)(10) and 1115(b)(ii)	Pub 852 TB-ST-773	ST-121
U.S. and N.Y. official flags	1115(a)(11)	TSB-M-01(5)S	none
Certain military decorations	1115(a)(11-a)	TSB-M-06(15)S	ST-121
Military service flags, prisoner of war flags, and blue star banners	1115(a)(11-b)	TSB-M-12(13)S	none
Manufacturing: <ul style="list-style-type: none"> • machinery or equipment • utilities • fuel 	1115(a)(12) and 1115(c)(1)	Pub 852 TB-ST-15 TB-ST-276 TB-ST-552 TB-ST-587 TB-ST-690 TB-ST-917 TSB-M-82(8)S TSB-M-82(18)S TSB-M-82(25)S	ST-121 FT-1012 FT-1020
Certain property used in connection with telecommunications and Internet access	1115(a)(12-a)	TSB-M-00(6)S	ST-121
Certain items sold through coin-operated vending machines	1105(d)(i)(3) and 1115(a)(13),(13-a)	TSB-M-83(33)S TSB-M-97(12)S TSB-M-99(4)S	none
Coin-operated luggage carts	1115(a)(13-b)	TSB-M-97(12)S	none
Certain intra-family sales of motor vehicles	1115(a)(14)		DTF-802
Materials sold to contractors to be installed in real property owned by exempt entities	1115(a)(15) and (16)	Pub 843	ST-120.1
Charges by contractors for materials incorporated into real property as part of a capital improvement	1101(b)(4)(i) and 1115(a)(17)	Pub 862 TB-ST-104 TB-ST-113	ST-124
Certain sales conducted from a residence (for example, garage sales)	1115(a)(18)	TB-ST-807	none
Packaging materials related to property for sale	1115(a)(19)	Pub 852 TB-ST-107	ST-121
Milk crates purchased by a dairy farmer or New York State licensed milk distributor	1115(a)(19-a)	TSB-M-06(16)S	ST-121
Shopping papers and related printing services	1115(a)(20) and 1115(i)	TB-ST-620	ST-121
Certain trucks, tractors, and tractor-trailers	1115(a)(22)	TSB-M-81(25)S	
Used mobile homes	1115(a)(23)	TSB-M-83(24)S TSB-M-83(24.1)S	none
Certain fishing vessels	1115(a)(24)	TSB-M-85(17)S	ST-121
Natural gas used for consumption by owners of a gas well on their property	1115(a)(25)	TSB-M-85(15)S	none
Tractors, trailers, and semi-trailers, and related services	1115(a)(26)S 1115(g)	TB-ST-890	ST-121.1

Specific exemption	Tax Law section(s)	Publications, Bulletins, or TSB-Ms	Exemption document required
Precious metal bullion sold for investment	1115(a)(27)	TSB-M-89(20)S TSB-M-89(20.1)S TSB-M-95(9)S	none
Customized computer software transferred to a related entity	1115(a)(28)	TB-ST-128 TSB-M-93(3)S	none
Certain race horses and related training and maintenance services	1115(a)(29) and 1115(m)	TB-ST-755 TB-ST-757 TSB-M-95(6)S	ST-126
Clothing and footwear and items used to repair exempt clothing if sold for less than \$110 ⁴	1115(a)(30)	Pub 718-C TB-ST-122 TB-ST-530 TSB-M-06(6)S	none
Copies sold through coin-operated photocopying machines at 50 cents or less	1115(a)(31)	TSB-M-97(12)S	none
Enhanced emissions inspection equipment	1115(a)(31)	TSB-M-97(8)S	ST-121
Certain public transportation vehicles (omnibuses) and related services	1115(a)(32) and 1115(u)	TSB-M-97(12)S	ST-121.1
Alcoholic beverage tastings	1115(a)(33)	TB-ST-15 TSB-M-97(12)S TSB-M-14(9)S TSB-M-15(1)S TSB-M-16(7)S	none
College textbooks sold to full-time or part-time college students for their courses	1115(a)(34)	TB-ST-125 TB-ST-126 TSB-M-98(4)S	ST-121.4
Computer system hardware used to develop software and Web sites	1115(a)(35)	TB-ST-243 TSB-M-98(5)S	ST-121.3
Certain tools and supplies related to gas or oil production	1115(a)(36)	Pub 852 TB-ST-552 TSB-M-98(13)S	ST-121
Certain Internet data center equipment and related services	1115(a)(37) and 1115(y)	TB-ST-405 TB-ST-665 TSB-M-00(7)S	ST-121.5
Certain broadcasting and film production equipment and related services	1115(a)(38),(39) and 1115(aa),(bb)	Pub 28 Pub 825 TB-ST-276 TSB-M-00(6)S	ST-121
Pollution abatement equipment	1115(a)(40)	TSB-M-00(6)S	ST-121
Certain marine cargo facility machinery and equipment	1115(a)(41)	TSB-M-05(14)S	ST-121
E85, CNG, or hydrogen for use in a motor vehicle	1115(a)(42)	TSB-M-14(12)S TSB-M-13(3)S TSB-M-16(4)S	none
Certain ferry boats and property purchased or used to operate them	1115(a)(43)	TSB-M-08(11)S	ST-121
Telephone and telegraph services used in news gathering	1115(b)(i)	Pub 825 TSB-M-12(1)S	none
Utilities and utility services produced by cogeneration facilities operated by cooperative corporations	1115(b)(iii)	TSB-M-06(3)S	none

Specific exemption	Tax Law section(s)	Publications, Bulletins, or TSB-Ms	Exemption document required
Certain services on property delivered outside NYS	1115(d)		none
Coin-operated telephone calls for 25 cents or less	1115(e)	TSB-M-98(9)S	none
Veterinary services	1115(f)	Pub 851 TB-ST-930	none
Sales by railroads in reorganization	1115(h)		none
Certain food purchased with food stamps	1115(k)	TB-ST-140	none
Certain property donated to exempt organizations by the manufacturer of the property	1115(l)	TSB-M-87(14)S	none
Qualifying promotional materials and related services	1115(n)	Pub 831 TB-ST-692 TSB-M-97(6)S TSB-M-01(4)S	ST-121.2
Services performed on computer software	1115(o)	TB-ST-128 TSB-M-93(3)S	none
Services performed to a qualifying barge	1115(q)	N-94-3	ST-121
Medical emergency alarm call services	1115(r)	TSB-M-94(3)S	none
Property and services related to guide dogs	1115(s)	TB-ST-245 TSB-M-95(10)S	ST-860
Certain coin-operated car wash services	1115(t)	TB-ST-105	none
Internet access services	1115(v)	TSB-M-97(1.1)S	none
Certain food and drink sold by a senior citizen housing community to its residents and their guests	1115(w)	TSB-M-01(4)S	none
Property used in connection with certain theater productions	1115(x)	TB-ST-535 TSB-M-99(4)S	ST-121.9
Residential solar energy systems equipment and electricity sold under a solar power purchase agreement ⁵	1115(ee)	Pub 718-S TSB-M-05(11)S TSB-M-15(5)S	ST-121
Property used to furnish leased premises in designated areas of lower Manhattan	1115(ee)(1)-(8)	TSB-M-05(12)S TSB-M-09(14)S	ST-121
Gift shop sales at a veterans home	1115(ff)	TSB-M-06(15)S	none
Certain electronic news services and periodicals	1115(gg)	TSB-M-12(1)S	none
Certain HAIL vehicle trips	1115(hh)	TSB-M-12(7)S	none
Commercial solar energy systems equipment and electricity sold under a solar power purchase agreement ⁵	1115(ii)	Pub 718-CS TSB-M-12(14)S TSB-M-15(5)S	ST-121
Changes to sales and use tax on vessels	1115(jj)	TSB-M-15(2)S	none
Sales for rent paid by a room remarketer to a hotel operator	1115(kk)	TSB-M-16(2)S	ST-120.2
Commercial fuel cell systems equipment	1115(kk)	TSB-M-16(3)S	ST-120.1 ST-121

Specific exemption	Tax Law section(s)	Publications, Bulletins, or TSB-Ms	Exemption document required
Certain purchases by exempt organizations	1116	Pub 843	ST-119.1
Purchases by governmental entities	1116	Pub 843 TB-ST-315 TB-ST-700	ST-129
75% of the admission charge to a qualifying place of amusement	1122	TSB-M-04(7)S TSB-M-06(12)S	none
Certain portion of the admission charge to attend a dramatic or musical performance at a roof garden, cabaret, or similar place	1123	TSB-M-06(15)S	none

¹ Special rules apply to contractors who provide maintenance and other services to real property. For more information, see [Publication 862](#), *Sales and Use Tax Classifications of Capital Improvements and Repairs to Real Property*.

² Local tax rates may apply and vary depending on the locality, including certain school districts. See [Pub 718-R](#), *Local Sales and Use Tax Rates on Residential Energy Sources and Services*.

³ Medical equipment and supplies purchased by a person for use in performing medical services for compensation are subject to sales and use taxes.

⁴ This exemption does not apply to locally imposed sales and use taxes, unless the county or city imposing those taxes elected the exemption. See [Pub 718-C](#), *Local Sales and Use Tax Rates on Clothing and Footwear*.

⁵ This exemption does not apply to locally imposed sales and use taxes, unless the county or city imposing those taxes elected the exemption. See [Pub 718-S](#), *Local Sales and Use Tax Rates on Sales and Installations of Residential Solar Energy Systems Equipment* and [Pub 718-CS](#), *Local Sales and Use Tax Rates on Sales and Installations of Commercial Solar Energy Systems Equipment*.

You should not collect sales tax on exempt sales that do not require an exemption document. However, for sales that require an exemption document, you must collect sales tax unless you receive a properly completed exemption document from the purchaser. You must receive the exemption document within 90 days of the date you delivered the property or rendered the service. See Tax Bulletin [Exemption Certificates for Sales Tax \(TB-ST-240\)](#).

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

Memoranda: [Sales Tax TSB-Ms](#)

Publications: [Sales Tax Publications](#)

Bulletins: [Sales Tax Bulletins](#)