



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;
 - 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 [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*);
- 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 and services provided by weight control and health salons, gymnasiums, Turkish and sauna baths, and similar establishments;
- written or oral 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, TSB-Ms, or Bulletins	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)		ST-120
Certain alternative fuels	1102(a)	TSB-M-06(10)S	ST-121
Building or installing a capital improvement	1105(c)(3)(iii) and 1105(c)(5)	Pub 862	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
Admissions to live circus performances	1105(f)(1) and 1116(d)(2)(B)	TSB-M-97(12)S	none
Certain residential energy sources and services ²	1105-A	Pub 718-R	TP-385
Certain food and drinks	1115(a)(1) and 1115(k)	TB-ST-65 TB-ST-140 TB-ST-283 TB-ST-525 TSB-M-86(18)S TSB-M-87(12)S	none
Water delivered through mains or pipes	1115(a)(2)		none
Drugs, medicines, medical equipment and services thereon, and certain medical supplies ³	1115(a)(3) and 1115(g)	Pub 822 Pub 840	none
Prosthetic aids and devices and services thereon	1115(a)(4) and 1115(g)	Pub 822 Pub 840 TSB-M-82(9)S TSB-M-06(5)S	none
Newspapers and qualified periodicals	1115(a)(5)	TB-ST-620 TSB-M-79(3)S	none
Property or services used in farming or commercial horse boarding	1115(a)(6) and 1115(c)(2)	TSB-M-00(8)S	ST-125
Sales by funeral homes	1115(a)(7)		none
Commercial vessels	1115(a)(8)	TSB-M-88(10)S TSB-M-96(14)S	ST-121
Commercial aircraft, certain related property, and fuel used therein	1115(a)(9) and 1115(a)(21)	TSB-M-80(4)S TSB-M-09(4)S	ST-121
Property and utilities used in research and development	1115(a)(10) and 1115(b)(ii)	Pub 852	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

Specific exemption	Tax Law section(s)	Publications, TSB-Ms, or Bulletins	Exemption document required
Production machinery or equipment and utilities	1115(a)(12) and 1115(c)(1)	Pub 852 TSB-M-82(7)S TSB-M-82(8)S TSB-M-82(18)S TSB-M-82(25)S TSB-M-89(19)S TSB-M-00(9)S	ST-121
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
Certain property sold to contractors to be installed in real property owned by exempt entities	1115(a)(15) and (16)	TSB-M-78(10)S	ST-120.1
Certain property sold by a contractor to a person for whom a capital improvement project is being performed	1101(b)(4)(i) and 1115(a)(17)	Pub 862	ST-124
Certain sales conducted from a residence (for example, garage sales)	1115(a)(18)	TB-ST-807 TSB-M-80(9)S	None
Packaging materials related to property for sale	1115(a)(19)	Pub 852 TSB-M-82(7)S	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 TSB-M-92(5)S TSB-M-96(7)S	ST-121
Certain trucks, tractors, and tractor-trailers	1115(a)(22) and (26)	TSB-M-81(25)S TSB-M-87(16)S TSB-M-87(16.1)S	ST-121.1
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 TSB-M-86(1)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
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)	TSB-M-93(3)S	none
Certain race horses and related training and maintenance services	1115(a)(29) and 1115(m)	TSB-M-80(12)S TSB-M-95(6)S	ST-126

Specific exemption	Tax Law section(s)	Publications, TSB-Ms, or Bulletins	Exemption document required
Clothing and footwear and items used to repair exempt clothing if sold for less than \$110 ⁴	1115(a)(30)	Pub 718-C	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
Wine furnished at a wine tasting	1115(a)(33)	TSB-M-97(12)S	none
College textbooks sold to full-time or part-time college students for their courses	1115(a)(34)	TB-ST-125 TSB-M-98(4)S	ST-121.4
Computer system hardware used to develop software and Web sites	1115(a)(35)	TSB-M-98(5)S	ST-121.3
Certain tools and supplies related to gas or oil production	1115(a)(36)	TSB-M-98(13)S	ST-121
Certain Internet data center equipment and related services	1115(a)(37) and 1115(y)	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 TSB-M-00(6)S	ST-121
Pollution abatement equipment	1115(a)(40)		ST-121
Certain marine cargo facility machinery and equipment	1115(a)(41)	TSB-M-05(14)S	ST-121
Certain ferry boats and certain property purchased or used to operate those ferry boats	1115(a)(43)	TSB-M-08(11)S	ST-121
Telephone and telegraph services used in news gathering	1115(b)(i)		none
Utilities and utility services produced by cogeneration facilities operated by cooperative corporations	1115(b)(iii)	TSB-M-06(3)S	ST-121
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 TSB-M-79(6)S	none
Sales by railroads in reorganization	1115(h)		none
Certain property donated to exempt organizations by the manufacturer of the property	1115(l)	TSB-M-86(11)S TSB-M-87(14)S	none
Qualifying promotional materials and related services	1115(n)	Pub 831 TSB-M-92(4)S TSB-M-92(4.1)S TSB-M-97(6)S	ST-121.2

Specific exemption	Tax Law section(s)	Publications, TSB-Ms, or Bulletins	Exemption document required
Services performed on computer software	1115(o)	TSB-M-93(3)S	none
Services performed to a qualifying barge	1115(q)		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 TSB-M-05(15)S	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)	TSB-M-99(4)S	ST-121.9
Property and services related to the maintenance of general aviation aircraft	1115(dd)	TSB-M-04(8)S TSB-M-09(18)S	ST-121
Residential solar energy systems equipment ⁵	1115(ee)	TSB-M-05(11)S Pub 718-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
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

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.

Sales to New York State, its political subdivisions, and to the federal government are also exempt from sales tax. In these cases, you should receive a government purchase order or other suitable documentation, such as [Form ST-129, Exemption Certificate - Tax on occupancy of hotel rooms](#). The general exemption for sales to New York State, its political subdivisions, and to the federal government does not apply to sales of motor fuel or diesel motor fuel that is not used or consumed by the governmental entity (see section 1116(b)(5) of the Tax Law).

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. They are 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

Publications:

[Publication 718](#), *New York State Sales and Use Tax Rates by Jurisdiction*
[Publication 774](#), *Purchaser's Obligations to Pay Sales and Use Taxes Directly to the Tax Department Questions and Answers*
[Publication 750](#), *A Guide to Sales Tax in New York State*

Memoranda:

[TSB-M-86\(3\)S](#), *Taxable Status of the Rental of Self-Service Mini-Storage Units*
[TSB-M-09\(7\)S](#), *Additional Guidance Relating to the Sales Tax on Certain Transportation Services*

Bulletins:

[Amending or Surrendering a Certificate of Authority \(TB-ST-25\)](#)
[Beverages Sold by Food Stores, Beverage Centers, and Similar Establishments \(TB-ST-65\)](#)
[College Textbooks \(TB-ST-125\)](#)
[Coupons and Food Stamps \(TB-ST-140\)](#)
[Do I Need to Register for Sales Tax? \(TB-ST-175\)](#)
[Exemption Certificates for Sales Tax \(TB-ST-240\)](#)
[Exemptions Relating to Guide, Hearing, and Service Dogs \(TB-ST-245\)](#)
[Filing Period Indicators on Final Sales Tax Returns \(TB-ST-270\)](#)
[Filing Requirements for Sales and Use Tax Returns \(TB-ST-275\)](#)
[Food and Food Products Sold by Food Stores and Similar Establishments \(TB-ST-283\)](#)
[How to Register for New York State Sales Tax \(TB-ST-360\)](#)
[Listings of Taxable and Exempt Foods and Beverages Sold by Food Stores and Similar Establishments \(TB-ST-525\)](#)
[Record-Keeping Requirements for Sales Tax Vendors \(TB-ST-770\)](#)
[Sales from Your Home \(TB-ST-807\)](#)
[Taxable Receipt \(TB-ST-860\)](#)

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 This exemption does not apply to locally imposed sales and use taxes unless the county or city imposing those taxes elected the exemption. Also, certain school districts impose a sales tax on specified residential energy sources and services. 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*.