



Department of Taxation and Finance

New York State and Local Sales and Use Tax

Contractor Exempt Purchase Certificate**ST-120.1**
(5/16)To be used **only** by contractors who are registered with the Tax Department for sales tax purposes.**To vendors:**

You must collect tax on any sale of taxable property or services unless the contractor gives you a properly completed exempt purchase certificate not later than 90 days after the property is sold or service is rendered. In addition, you must keep the certificate for at least three years, as explained in the instructions.

This form cannot be used to purchase motor fuel or diesel motor fuel exempt from tax.**To contractors and vendors:** Read the instructions on pages 3 and 4 carefully before completing or accepting this certificate.

Name of seller			Name of purchasing contractor		
Street address			Street address		
City	State	ZIP code	City	State	ZIP code

1. I have been issued a New York State *Certificate of Authority*, _____, to collect
(enter your sales tax identification number)
New York State and local sales and use tax, and that certificate has not expired or been suspended or revoked.

2. The tangible personal property or service being purchased will be used on the following project:

located at _____

for and with _____

pursuant to prime contract dated _____.

3. These purchases are exempt from sales and use tax because:

(Mark an **X** in the appropriate box; for further explanation, see items A through P in the instructions on pages 3 and 4.)

- ☐ **A.** The tangible personal property will be used in the above project to create a building or structure or to improve real property or to maintain, service, or repair a building, structure, or real property, owned by an organization exempt under Tax Law section 1116(a). (For example, New York State government entities, United States governmental entities, United Nations and any international organization of which the United States is a member, certain posts or organizations of past or present members of the armed forces, and certain nonprofit organizations and Indian nations or tribes that have received New York State sales tax exempt organization status.) The tangible personal property will become an integral component part of such building, structure, or real property.

- ☐ **B.** The tangible personal property is production machinery and equipment, and it will be incorporated into real property.

- ☐ **C.** The tangible personal property will be used:
- in an Internet data center when the property is to be incorporated as part of a capital improvement; or
 - directly and predominantly in connection with telecommunications services for sale or Internet access services for sale; or
 - directly and predominantly by a television or radio broadcaster in connection with producing or transmitting live or recorded programs.
- ☐ **D.** The tangible personal property, including production machinery and equipment, is for installation in the above project and will remain tangible personal property after installation.
- ☐ **E.** The tangible personal property will become an integral component part of a building, structure, or real property, used predominantly (more than 50%) either in the production phase of farming or in a commercial horse boarding operation, or in both.

Note: This certificate is not valid unless the purchaser completes the certification on page 2.

- ☐ F. The machinery or equipment will be used directly and predominantly to control, prevent, or abate pollution or contaminants from manufacturing or industrial facilities.
- ☐ G. The tangible personal property is residential or commercial solar energy systems equipment. (Note: Item G purchases are exempt from the 4% New York State tax rate and from the $\frac{3}{8}$ % MCTD rate. Item G purchases may be exempt from local taxes. See instructions.)
- ☐ H. The tangible personal property will be used directly and exclusively in adding to, altering, or improving a qualifying tenant's leased premises for use as commercial office space in Eligible Area A or B as described in TSB-M-05(12)S, *Sales and Use Tax Exemptions on Certain Purchases of Tangible Personal Property and Services for Leased Commercial Office Space in Lower Manhattan*, provided that the tangible personal property becomes an integral component part of the building in which the leased premises are located, and where such property is purchased during the first year of the qualifying tenant's lease and delivered to the leased premises no later than 90 days after the end of that first year.
- ☐ I. The tangible personal property is machinery or equipment used directly and predominantly in loading, unloading, and handling cargo at a qualified marine terminal facility in New York City. This exemption does **not** apply to the local tax in New York City.
- ☐ J. The tangible personal property is commercial fuel cell systems equipment. (Note: Item J purchases are exempt from the 4% New York State tax rate and from the $\frac{3}{8}$ % MCTD rate. Item J purchases may be exempt from local taxes. See instructions.)
- ☐ K. The services are for the project described in line 2 on page 1 and will be resold. (This includes trash removal services in connection with repair services to real property.)
- ☐ L. The services are to install, maintain, service, or repair tangible personal property used in an Internet data center, for telecommunication or Internet access services, or for radio or television broadcast production or transmission.
- ☐ M. The services are to install, maintain, service, or repair tangible personal property that will be used predominantly either in farm production or in a commercial horse boarding operation, or in both provided such tangible personal property will become an integral component part of such structure, building, or real property.
- ☐ N. The services are to install residential or commercial solar energy systems equipment.
- ☐ O. The services are to install tangible personal property purchased during the first year of the qualifying tenant's lease and delivered to the leased premises no later than 90 days after the end of that first year, that will be used directly and exclusively in adding to, altering, or improving a qualifying tenant's leased premises for use as commercial office space in Eligible Area A or B as described in TSB-M-05(12)S.
- ☐ P. The services are to install or maintain commercial fuel cell systems equipment.

Caution: Contractors may **not** use this certificate to purchase services tax exempt unless the services are resold to customers in connection with a project. Construction equipment, tools, and supplies purchased or rented for use in completing a project but that do not become part of the finished project may not be purchased exempt from tax through the use of this certificate.

Certification: I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements and issue this exemption certificate with the knowledge that this document provides evidence that state and local sales or use taxes do not apply to a transaction or transactions for which I tendered this document and that willfully issuing this document with the intent to evade any such tax may constitute a felony or other crime under New York State Law, punishable by a substantial fine and a possible jail sentence. I understand that this document is required to be filed with, and delivered to, the vendor as agent for the Tax Department for the purposes of Tax Law section 1838 and is deemed a document required to be filed with the Tax Department for the purpose of prosecution of offenses. I also understand that the Tax Department is authorized to investigate the validity of tax exclusions or exemptions claimed and the accuracy of any information entered on this document.

Type or print name and title of owner, partner, or authorized person of purchasing contractor	
Signature of owner, partner, or authorized person of purchasing contractor	Date prepared

Substantial penalties will result from misuse of this certificate.