

Albany County Repeals Tax on Residential Energy Sources and Services Effective March 1, 1998

All Vendors of Utility Services:

Beginning March 1, 1998, Albany County has repealed its 1% sales and use tax imposed on residential energy sources and services. However, the Albany, Cohoes, and Watervliet school districts within Albany County continue to impose a tax on residential energy sources and services.

Residential energy sources and services include:

- coal, natural gas, electricity, and steam;
- gas, electric, and steam services;
- fuel oil other than diesel motor fuel;
- propane sold in containers of 100 pounds or more; and
- wood used for residential heating.

Sales of residential energy services will no longer be taxable in Albany County, except in the Albany School District, Cohoes School District, and Watervliet School District. Accordingly, sales of residential energy services in Albany County (outside of the Albany, Cohoes, and Watervliet school districts) should now be reported on the appropriate sales tax return in the *Gross sales and services* box. These sales are no longer reported as taxable on Schedule B, Part III.

Sales of residential gas (including propane sold in containers of 100 pounds or more) and sales of electric and steam services in the Albany School District, Cohoes School District, and Watervliet School District will continue to be reported on Schedule B, Part II, but at the reduced rate of 3%.

Sales of telephone, telegraph and telephone answering services, and nonresidential gas (including propane in containers of 100 pounds or more) and electric, refrigeration, and steam services in the Albany School District, Cohoes School District, and Watervliet School District will continue to be reported on Schedule B, Part I, at the rate of 11%.

The rates and reporting codes for Schedule B will be as follows:

Part I - Telephone, telegraph and nonresidential energy services (*remains unchanged*)

	<u>Rate</u>	<u>Code</u>
Albany School District	11%	0165
Cohoes School District	11%	0124
Watervliet School District	11%	0139

Part II - Residential gas, electric, and steam services

	<u>Rate</u>	<u>Code</u>
Albany School District	3%	0167
Cohoes School District	3%	0147
Watervliet School District	3%	0157

Part III - Residential gas, electric, and steam services, coal, fuel oil and wood (for heating)

There will no longer be a line for Albany County. (These nontaxable sales are now reported only as part of *Gross sales and services* on your sales tax return.)

Transitional Provisions

Sales of residential energy sources and services sold on or after March 1, 1998, will not be subject to the 1% Albany County tax that has been repealed, even if the sales were made based on a contract entered into prior to March 1, 1998.

Sales based on meter readings: Where the energy sources or services are sold on a monthly, quarterly, or other periodic basis and the bills are based on meter readings taken on or after 3/1/98:

- if more than one half of the days included in the period billed occur after 2/28/98, the amount billed will be subject to tax at the rate of 3% within the Albany, Cohoes and Watervliet school districts, but not subject to tax in the area of Albany County outside those school districts.
- if one half or less than one half of the days included in the period covered by the bill occur after 2/28/98, the amount billed will be subject to tax at the rate of 4% in the Albany, Cohoes and Watervliet school districts and at the rate of 1% in the area of Albany County outside those school districts.

Need Help?

For information, forms or publications, call the Business Tax Information Center at 1 800 972-1233. The call is toll free from anywhere in the U.S. (including Alaska and Hawaii) and Canada. For information, you can also call toll free (from New York State only) 1 800 CALL TAX (1 800 225-5829). From areas outside New York State, call (518) 438-8581. For forms or publications, you can also call toll free (from New York State only) 1 800 462-8100. From areas outside New York State, call (518) 438-1073.

Telephone assistance is available from 8:30 a.m. to 4:25 p.m., Monday through Friday.

Persons with Disabilities - In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call the information numbers listed above.

Hotline for the Hearing and Speech Impaired - If you have a hearing or speech impairment and have access to a telecommunications device for the deaf (TDD), you can get answers to your New York State tax questions by calling 1 800 634-2110 toll free from anywhere in the U.S. (including Alaska and Hawaii) and Canada. Hours of operation are from 8:30 a.m. to 4:15 p.m., Monday through Friday. If you do not own a TDD, check with independent living centers or community action programs to find out where machines are available for public use.

If you need to write, address your letter to: NYS Tax Department, Taxpayer Assistance Bureau, W A Harriman Campus, Albany NY 12227.