



# Instructions for Form ST-119.2

## Application for an Exempt Organization Certificate

# ST-119.2-I

(12/13)

Read these instructions carefully and complete all applicable sections on the form. We cannot process an incomplete application.

**Note:** In addition to applying for an *Exempt Organization Certificate* to make exempt purchases, if your organization makes sales through a shop or store, or a restaurant, tavern, or other similar establishment, it must register for sales tax purposes and collect and remit sales tax. Also, your organization must register for sales tax purposes and collect and remit sales tax if it makes any of the following sales, whether or not made from a shop or store:

- any lease or rental of tangible personal property;
  - any utility service described in Tax Law section 1105(b);
  - any service to real property described in Tax Law section 1105(c)(5); and
  - any tangible personal property where the sale is made by remote means, such as by telephone, mail order (including email), over the Internet, or by other similar methods, provided the sales are made with a degree of regularity, frequency, and continuity.
- Also, if the organization sells parking services or operates a hotel or makes amusement charges, it must register for sales tax purposes and collect and remit tax.
- To register for sales tax purposes, visit the *New York Business Express* at [www.businessexpress.ny.gov](http://www.businessexpress.ny.gov) to obtain a *Certificate of Authority*.

### Who should file this form

An organization described in Tax Law section 1116(a)(4), 1116(a)(5), 1116(a)(7), 1116(a)(8), or 1116(a)(9), should file Form ST-119.2 to apply for an *Exempt Organization Certificate*. If the Tax Department issues you an *Exempt Organization Certificate*, you may make tax-exempt purchases.

Agencies of the United States and of New York State and its political subdivisions should not use this form. They may make tax-free purchases by presenting vendors with governmental purchase orders.

Units of the Boy Scouts of America and the Girl Scouts of the USA should contact their local councils for the procedures they must follow to establish sales tax exemption.

New York State Tax Law does not provide sales tax exemptions to other states or their political subdivisions.

### Where to file

Mail your completed application and all attachments to:

**NYS TAX DEPARTMENT  
SALES TAX EXEMPT ORGANIZATIONS UNIT  
W A HARRIMAN CAMPUS  
ALBANY NY 12227**

### Refunds for sales tax previously paid

Once you establish your exempt status, you may be entitled to a refund of sales tax you previously paid if you met the requirements for exemption when the purchases were made. However, if you had to amend documents or change operations to qualify for exemption, you are not entitled to a refund of taxes paid before the effective date of the change.

Use Form AU-11, *Application for Credit or Refund of Sales or Use Tax*, to request a refund. Keep sales slips and invoices to support your claim. Refunds are generally subject to a three-year statute of limitations.

### Specific instructions

Enter all applicable information and attach the requested documents. Documents submitted with this application will not be returned, so be sure to keep copies.

Enter the organization's legal name (as it appears in its organizing documents), telephone number, physical address, and mailing address.

Enter the name, title, telephone number, email address, and fax number of the person to contact if we need more information or documentation

to make our determination. If the person is someone other than a trustee or officer of the organization, this application must be accompanied by a power of attorney executed by an authorized officer before we can provide any information on the status of the application to the contact person. Use Form ST-119.4, *Application for an Exempt Organization Certificate Power of Attorney*.

If unincorporated, enter the date organized (i.e., the date that the organizing documents were formally adopted). If incorporated, enter the date the articles of incorporation were filed with the appropriate government agency.

Enter your federal employer identification number. (This number is not proof of federal exemption as required on lines 8 and 9 below.)

**Line 1a** – Mark an **X** in the box on line 1a and any applicable additional boxes to indicate the purpose for which you are claiming exempt status if you are applying under Tax Law section 1116(a)(4). In addition to being organized for one or more of the listed activities, you must meet the following requirements:

- No part of the organization's net income can benefit private shareholders or individuals.
- The organization cannot, as a substantial part of its activities, attempt to influence legislation. (If you have established federal exemption under Internal Revenue Code (IRC) section 501(c)(3), that section will govern the extent of legislative activities permissible. If not, the Tax Department will make the determination.)
- The organization cannot participate, directly or indirectly, in political campaigns for or against candidates for public office.
- The organization's assets must be dedicated to its exempt purposes. If it is dissolved or terminated, the assets must be distributed to further one or more exempt purposes or to a federal, state, or local government for a public purpose.
- If organized to foster national or international amateur sports competition, the organization may not provide athletic facilities or equipment unless it is an amateur sports organization organized and operated primarily to support and develop amateur athletes for, or to conduct, national or international sports competition.

**Line 1b** – Mark an **X** in the box and indicate the percentages of each type of member if you are applying under Tax Law section 1116(a)(5). At least 75% of the organization's membership must fall within the first category listed. In addition, you must be organized in New York State, and no part of the organization's earnings can benefit private shareholders or individuals.

Auxiliary units, societies of, or trusts or foundations for posts or organizations may also qualify as exempt organizations if they show that they were created by and are affiliated with an organization already exempted by the Tax Department. Attach a copy of the federal determination letter confirming your IRC section 501(c)(19) exemption.

**Line 1e** – Mark an **X** in the box and attach a copy of your federal or New York State charter if you are applying under Tax Law section 1116(a)(9). **Note:** Effective March 1, 2008, all state-chartered credit unions, as defined by New York State Banking Law section 2(9), will be exempt from sales tax, regardless of when they were chartered. (For more information regarding credit unions designated as exempt organizations, see TSB-M-06(4)S, *Credit Unions Designated as Exempt Organizations for Sales and Use Tax Purposes*.)

**Lines 3 through 6** – Answer the questions on lines 3 through 6 by marking an **X** in the applicable boxes. Answering Yes to a question will not necessarily disqualify you, but you must attach an explanation.

**Line 7** – If you answer Yes, attach an explanation of how you meet the criteria of a qualified amateur sports organization as defined in Tax Law section 1116(f).

**Line 8** – Mark an **X** in the Yes box and attach a copy of the federal determination letter confirming your IRC section 501(c)(3) exemption if your organization has been granted exemption in its own name under IRC section 501(c)(3). No other documentation is needed; however, we reserve the right to request any additional information necessary to make our determination.

**Line 9** – Mark an **X** in the Yes box if you are a subunit of an organization that has a group IRC section 501(c)(3) exemption. Attach a copy of the federal determination letter confirming your 501(c)(3) exemption and one of the following:

- a current letter from the “parent” organization certifying that the subunit is a member of the organization and is included under the federal 501(c)(3) exemption, or
- a copy of the “parent” organization’s directory of subunits that lists this subunit as one of those covered by the federal exemption.

If your organization has been granted federal exemption under some other IRC section, attach a copy of the federal determination letter confirming your exemption. All attachments are required.

If there is a discrepancy between the name and address as it appears on the federal determination letter and on this application, please explain.

**Line 10** – To qualify for exempt status, you must be formally organized to conduct exempt activities and you must have organizing documents specifying the activities. Mark an **X** in the appropriate box to indicate your type of organization and attach copies of the required organizing documents including any amendments to them (if you are attaching a copy of the federal determination letter confirming your IRC section 501(c)(3) exemption, you need not attach the organizing documents). Note that these documents cannot be returned.

**Line 11** – You must also attach the following to your application (unless you are attaching a copy of the federal determination letter confirming your IRC section 501(c)(3) exemption as previously noted):

- Statement of activities – Describe your present and future activities in detail. Do not use general statements or repeat the language of your organizing documents. If you are not fully operational, explain what stage of development you have reached, what remains to be done, and when you will be fully operational.
- Statement of receipts and expenditures
- Statement of assets and liabilities – Assets are all real and personal property; liabilities are all outstanding debts, of any nature.

If you do not have formal financial statements, you may use the following examples as a guide. Bank statements, copies of receipts, invoices, and journal or ledger sheets are **not** acceptable substitutes.

**Examples:**

Name of Organization  
Statement of receipts and expenditures  
January 1, XXXX, through December 31, XXXX

Receipts:	
Dues: membership 50 @ \$2.00	\$ 100.00
Contributions:	
Voluntary contributions from members	500.00
Contributions from the public	1,000.00
Funding:	
Department of Recreation	1,000.00
HUD	500.00
(submit copies of pertinent contracts)	
Receipts from fund-raising activities:	
Bake sale	150.00
Dinner dance tickets	600.00
Total receipts	<u>\$3,850.00</u>
Expenditures:	
Fund-raising expenses	
Bank, advertising, food	\$ 300.00
Contributions to:	
Jonesville Fire Co.	50.00
St. Lukes Church	25.00
Operating expenses:	
Electricity	600.00
Telephone	200.00
Fire insurance	300.00
Miscellaneous	50.00
Total expenditures	<u>\$1,525.00</u>

Name of Organization

Statement of assets and liabilities  
As of December 1, XXXX

Assets:	
Cash on hand:	\$ 200.00
Cash in bank:	1,500.00
Investments: Stock 10 @ \$50.00	500.00
Office supplies and equipment	300.00
Buildings	20,000.00
Land: 5 acres	2,000.00
Other assets:	
Bus	600.00
Total assets	<u>\$25,100.00</u>
Liabilities:	
Accounts payable	\$ 00.00
Loans payable: Bank of NY	500.00
Mortgage payable:	10,000.00
Other liabilities:	
Electric bill	60.00
Total liabilities	<u>\$10,560.00</u>

**Signature** – An officer of the organization must sign and date this application. Be sure you have completed all applicable entries and included true copies of all required documents. We will return any incomplete applications to you. Keep copies of your application and all attachments.

**Need help?**



Visit our Web site at **[www.tax.ny.gov](http://www.tax.ny.gov)**

- get information and manage your taxes online
- check for new online services and features



**Telephone assistance**

**Sales Tax Information Center:** (518) 485-2889

To order forms and publications: (518) 457-5431

**Text Telephone (TTY) Hotline** (for persons with hearing and speech disabilities using a TTY): (518) 485-5082



**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, call the information center.

**Privacy notification**

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 5-a, 171, 171-a, 287, 308, 429, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).

This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Manager of Document Management, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone (518) 457-5181.