



Annual Schedule U Instructions

New York State Department of Taxation and Finance Taxes on Services to Tangible Personal Property used or Consumed in Production

Report Transactions for the period June 1, 1997 through May 31, 1998

Who Must File

Complete Annual Schedule U if you must report taxable purchases of, and receipts from sales of, installing, repairing, maintaining, or servicing the following:

- machinery and equipment used directly and predominantly in production;
- telephone and telegraph central office and station equipment used directly and predominantly in receiving at destination or initiating and switching telephone or telegraph communication; or
- parts, tools, and supplies used in connection with this machinery and equipment.

Although services of installing, maintaining, or servicing production machinery, equipment, apparatus, parts, tools, and supplies are exempt from the statewide sales and use tax, these services are subject to all local sales and use taxes **except the New York City local tax**. All machinery, equipment, parts, tools, and supplies used or consumed in production are exempt from statewide sales and use tax and from all local sales and use taxes.

If you must file Annual Schedule U, you must also complete Form ST-101, *New York State and Local Annual Sales and Use Tax return*. Report in Step 3 of Form ST-101 any taxable sales and purchases not reported on this or any other schedule.

Specific Instructions

For your convenience, we have printed two copies of this schedule together. Separate these copies and complete and file either of them.

Identification Number and Name – Attach one of the preprinted Schedule labels (provided with your Form ST-101) in the space indicated. If you do not have a label, print the sales tax identification number and legal name as shown on your business' *Certificate of Authority* for sales and use tax.

Credits – Reduce the amount of taxable sales and services to be entered on a jurisdiction line by the amount of any credits related to that jurisdiction. If the result is a negative number, enter it in parentheses.

Reporting Taxable Sales and Purchases – Report your taxable sales and purchases on the line for the jurisdiction in which the taxable sale or use occurred.

For each jurisdiction, add the Column C amount to the Column D amount, multiply the total by the tax rate in Column E, and enter the resulting tax in Column F.

Column Totals

After entering information for all jurisdictions required, separately total Columns C, D, and F for all of Page 1. Enter the totals in Boxes 1, 2, and 3 at the bottom of Page 1 and in Boxes 4, 5, and 6 on Page 2.

Separately total Columns C, D, and F for all of Page 2, including the Page 1 subtotals from Boxes 4, 5, and 6. Include the Column C, D, and F totals on Form ST-101, Page 2, Columns C, D, and F in Boxes 3, 4, and 5. You must also transfer the Column C total from Box 7 to Form ST-101, page 4, Step 7A, Schedule U line, to adjust your vendor collection credit amount (see below).

Vendor Collection Credit Adjustment

The vendor collection credit may be taken only against **sales** on which **state** sales tax is due. Currently, all sales reported on Schedule U are subject to local sales tax only and are therefore **not** eligible for the vendor collection credit. The sales reported on Schedule U must be subtracted from the total sales reported on Form ST-101 before the credit can be computed. Transfer the Page 2, Column C total from Box 7 to Form ST-101, Page 4, Step 7A, Schedule U line.

Filing This Schedule

File a completed Schedule U and any other attachments with Form ST-101, *New York State and Local Annual Sales and Use Tax Return*, by the due date. Keep a copy of your completed return for your records.

Need Help?

For information, call the Business Tax Information Center at 1 800 972-1233.

For forms and publications, call 1 800 462-8100.

From areas outside the U.S. and outside Canada, call (518) 485-6800. Telephone assistance is available from 8:30 a.m. to 4:25 p.m., Monday through Friday.

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

Hotline for the Hearing and Speech Impaired - TDD: call 1 800 634-2110. See Form ST-101-I, *Instructions for Form ST-101*, for more information about this Hotline and the Americans with Disabilities Act.

Privacy Notification

See Form ST-101-I, *Instructions for Form ST-101*, Page 4 for privacy notification.