

New York State Department of Taxation and Finance  
**Taxpayer Services Division**  
**Technical Services Bureau**

TSB-A-96 (78) S  
Sales Tax  
December 16, 1996

STATE OF NEW YORK  
COMMISSIONER OF TAXATION AND FINANCE

ADVISORY OPINION

PETITION NO.S960816A

On August 16, 1996, a Petition for Advisory Opinion was received from Cobert Banking Courier Corp., 2874 Lee Place, Bellmore, New York 11710.

The issue raised by Petitioner, Cobert Banking Courier Corp., is whether the service provided by an insured courier making daily trips to banks for its customers, is subject to sales tax.

Petitioner submits the following facts as the basis for this Advisory Opinion. Petitioner provides a service as an insured courier making daily trips to banks for customers. Petitioner uses armored vehicles for its service.

Section 1105(c) of the Tax Law provides in part:

Imposition of sales tax. On and after June first, nineteen hundred seventy-one, there is hereby imposed and there shall be paid a tax of four percent upon:

(c) The receipts from every sale, except for resale, of the following services:

\* \* \*

(8) Protective and detective services, including, but not limited to, all services provided by or through alarm or protective systems of every nature, including, but not limited to, protection against burglary, theft, fire, water damage or any malfunction of industrial processes or any other malfunction of or damage to property or injury to persons, detective agencies, armored car services and guard, patrol and watchman services of every nature other than the performance of such services by a port watchman licensed by the waterfront commission of New York harbor, whether or not tangible personal property is transferred in conjunction therewith. (Emphasis added.)

Section 1110(a) of the Tax Law provides in part:

Except to the extent that property or services have already been or will be subject to the sales tax under this article, there is hereby imposed on every person a use tax for the use within this state on and after June first, nineteen hundred seventy-one except as otherwise exempted under this article ... (C) of any of the services described in paragraphs (1), (7) and (8) of subdivision (c) of section eleven hundred five ....

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In this case, Petitioner is an insured courier who makes daily trips for its clients to banks using armored vehicles. Under Sections 1105(c)(8) and 1103(a)(C) of the Tax Law, protective and detective services are subject to the New York State and local sales and use taxes. Protective and detective services include armored car and bonded courier services. (See Important Notice entitled "New York State Sales and Use Tax on Protective and Detective Services", N-90-20.)

The application of the tax to armored car services and the services of bonded couriers is determined by the place in which the items protected are delivered, regardless of where the items are picked up.

Accordingly, Petitioner's services are subject to the New York State and local sales and use taxes, at the applicable sales tax rate where customers' property is delivered to banks located in New York State.

DATED: December 16, 1996

/s/  
JOHN W. BARTLETT  
Deputy Director  
Technical Services Bureau

NOTE: The opinions expressed in Advisory Opinions  
are limited to the facts set forth therein.