



Sales and Use Tax Exemption for Residential Energy Storage Systems Equipment

Effective June 1, 2024, through May 31, 2026, receipts from retail sales of residential energy storage systems equipment and the service of installing these systems are exempt from state and local sales and use taxes.¹

In addition, receipts from the sale of electricity sold by a person who is primarily engaged in the sale of energy storage systems equipment are exempt from state and local sales and use taxes.

Further, receipts from the sale of electricity generated by the energy storage systems equipment are exempt from state and local sales taxes if there is a written agreement where the equipment is:

- owned by a person other than the purchaser of the electricity;
- installed on residential property of the purchaser of the electricity; and
- used to provide heating, cooling, hot water, or electricity.

Residential energy storage systems equipment means an arrangement or combination of components installed in a residence that stores electricity for use at a later time to provide heating, cooling, hot water, or electricity.

A contractor who purchases residential energy storage systems equipment **must** submit a properly completed [Form ST-120.1](#), *Contractor Exempt Purchase Certificate*, to the vendor to claim this exemption.

Persons other than contractors who purchase residential energy storage systems equipment **must** submit a properly completed [Form ST-121](#), *Exempt Use Certificate*, to the seller and use Part 3, Box U, to claim this exemption.

Note: A TSB-M is an informational statement of existing department policies or of changes to the law, regulations, or department policies. It is accurate on the date issued. Subsequent changes in the law or regulations, judicial decisions, Tax Appeals Tribunal decisions, or changes in department policies could affect the validity of the information presented in a TSB-M.

¹ Part PP of Chapter 58 of the Laws of 2024; Tax Law Article 28, § 1115(II).