



Department of Taxation and Finance

Important:

The state and local sales and use tax rates and/or reporting code information in this TSB-M are out-of-date.

For the most up-to-date state and local sales and use tax rates, reporting code information, and other information, see the Department of Tax and Finance website: [Find sales tax rates](#).

The TSB-M begins on page 2 below.

Putnam County Increases Local Sales and Use

Taxes From 2% to 2½%

Effective December 1, 1983, Putnam County has passed a resolution to increase its local sales and compensating use tax from 2% to 2½%. This tax must be reported on page 2 of all regular returns under Code 3729, at the combined State and County tax rate of 6 ¾% (2½% County and 4½% State*). This 6 ¾% rate applies to all sales and purchases of tangible personal property and services subject to sales or use tax by law with the following exceptions:

- (1) Putnam County does not impose local sales and use tax on residential energy sources and services.**
- (2) A tax rate of 2½% (county only) must be collected on sales of servicing, installing, repairing or maintaining manufacturing machinery, equipment, apparatus, parts, tools and supplies used or consumed directly and predominantly in producing a product for sale. This tax must be reported on Schedule U (Page 2 Supplement) under Code 3727.
- (3) Registered motor fuel distributors must report sales of motor fuel on Schedule D on the line for the locality in which delivery occurs, regardless of the rate of tax collected. The rate may vary depending on the purchaser, as explained in TSB-M-82(28)S and TSB-M-82(28.1)S. The code for Putnam County on Schedule D is D3729.

Taxable sales of diesel fuel and purchases of diesel fuel for self use must be reported on Schedule E under Code E3729. In Putnam County the tax rate for such sales or for purchases of diesel fuel for self use, after December 1, 1983, is also 6 ¾%. (See TSB-M-82(28.1)S and TSB-M-83(12)S.)

SPECIAL TRANSITIONAL PROVISIONS

Where delivery or transfer of possession occurs on or after December 1, 1983, the new combined state and local sales and use tax rate applies, except in the following instances:

Lay-away sales

The old rate will apply if; (1) a written agreement was made prior to August 1, 1983, (2) the item sold was segregated from other similar property in the possession of the vendor prior to August 1, 1983, and (3) the purchaser pays at least 10% of the sales price prior to December 1, 1983.

*4¼% is the prevailing State rate in the Metropolitan Commuter Transportation District which includes Putnam County.

**Residential energy sources and services are: fuel oil (but not diesel motor fuel); coal; propane (except when sold in containers of less than 100 pounds); natural gas; electricity; steam; wood for residential heating purposes only; and gas, electric and steam services.

Monthly utility bills for gas and electricity based on meter readings

If the meter is read on or after December 1, 1983, the increased local tax will be applied to the billing based on such reading only if more than ½ of the days covered by such bill are days after November 30, 1983.

Monthly telephone bills

The increased local tax will be applied to all bills dated on or after December 1, 1983. However, charges for services furnished before the date of the first of such bills will be taxable at the old rate.

Social and athletic club dues

The increased local tax will be applied to all bills covering any period which begins on or after December 1, 1983. The increased tax will not be applied to bills covering periods which begin before December 1, 1983. A quarterly or semi-annual billing mailed prior to December 1 for a period beginning on or after December 1 will be subject to the increased rate.

Admissions

The increased rate of tax will be applied to taxable admission charges for any event which will occur on or after December 1, 1983 unless the tickets were actually sold and delivered to the purchaser prior to December 1, 1983 regardless of whether the admission charges were paid before such date.

Hotel occupancy

The increased rate applies to all daily rentals on or after December 1, 1983, unless the occupant is a permanent resident (ninety days consecutive occupancy). If the rental is on other than a daily basis, the increased rate shall be applied to the charge on a prorated basis.

Pre-existing lump sum or unit price construction contracts

If such a contract was irrevocably entered into prior to October 17, 1983, the contractor will be allowed credit or refund of the increased local sales or use tax in respect to purchases if the tangible personal property is used solely in the performance of such contract.