



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The state and local sales and use tax rates and/or reporting code information in this TSB-M are out-of-date.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

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

TSB-M-88 (8)S  
Sales Tax  
February 9, 1988

CITY OF JOHNSTOWN IMPOSES SALES AND USE TAX

(Reporting Code Changes - Fulton County and Johnstown School District)

Effective March 1, 1988, a 1½% sales and use tax is imposed by the City of Johnstown on all taxable sales of tangible personal property and services, except for sales of residential energy sources and residential energy services\*. As a result, all sales made within the City on or after March 1, 1988 will be subject to the Johnstown City tax except as otherwise provided in the transitional provisions discussed in this memorandum.

The combined 7% (4% New York State and 3% Fulton County) sales and use tax currently in effect throughout Fulton County (which includes the City of Johnstown) is not increased by the tax imposed by Johnstown; rather, the 3% Fulton County tax imposed within Johnstown will be decreased by 1½%, resulting only in a change in the distribution of tax collected on sales made within the City (4% New York State 1½% Fulton County and 1½% Johnstown City).

For proper distribution of state, county and city sales tax revenues, the City of Johnstown is shown as a separate taxing jurisdiction on all sales and use tax returns and affected schedules which are to be filed for periods beginning on or after March 1, 1988. Taxable sales made within the City of Johnstown on and after that date are to be reported on the Johnstown City line using the following codes:

| <u>Return or Schedule</u>   | <u>Tax Rate</u> | <u>Code</u> |
|---|-----------------|-------------|
| ST-810 - Quarterly Return for Part Quarterly Filers   | 7%              | 1724        |
| ST-100 - Quarterly Return   | 7%              | 1724        |
| ST-101 - Annual Return  | 7%              | 1724        |
| Schedule E - used to report tax on diesel motor fuel  | 7%              | E1724       |
| Schedule R - used to report tax on motor fuel   | 7%              | R1724       |
| Schedule U - used to report tax on parts, tools, and supplies used in production (subject to tax in New York City only) and tax on services to production machinery, equipment, parts, tools and supplies | 3%              | L1724       |

\* See TSB-M-78(7)S for information on residential energy sources and services.

### Transitional Provisions

#### Lay-a-way Sales

The City of Johnstown tax applies to all lay-a-way sales where the purchaser takes possession of (picks up) the merchandise on or after March 1, 1988 unless:

- o the merchandise was purchased under a written agreement that was entered into prior to November 1, 1987; and
- o the merchandise was taken out of inventory and set aside for the customer before November 1, 1987; and
- o at least 10% of the sale price was paid before March 1, 1988.

If all three of the above conditions are met, then the sale is not subject to the City tax and is to be reported on the Fulton County line.

#### Utility Bills Based on Meter Readings

When a bill is issued based on a meter reading that occurred before March 1, 1988, then the Johnstown tax does not apply to any charges based on such reading; all such sales are to be reported on the Fulton County line.

When a meter is read on or after March 1, 1988, the Johnstown tax applies to the total amount billed based on such reading if more than one-half the number of days included in the period covered by the bill fall after March 1, 1988. If more than one-half the number of days in the billing period fall before March 1, 1988, then the Johnstown tax does not apply and the sales are to be reported on the Fulton County line.

#### Telephone Bills

Charges for telephone service (other than charges for which a bill was previously issued) which appear on the first bill dated on or after March 1, 1988 are subject to the Johnstown sales and use tax unless they are charges for services which were furnished prior to the date of the bill. Any charges appearing on such bill which represent charges for services furnished prior to the date of the bill are to be reported on the Fulton County line.

Any charges for services which were furnished before the date of the first bill dated on or after March 1, 1988 are not subject to the Johnstown tax and are to be reported on the Fulton County line, regardless of when such charges are actually billed.

### Hotel/Motel Room Bills

When charges for hotel or motel room occupancy are billed on a daily basis, then the Johnstown tax applies to all such charges billed on or after March 1, 1988.

When charges for hotel or motel room occupancy are billed on other than a daily basis, the Johnstown rate applies only to that portion of the bill which covers the days falling after March 1, 1988; the balance of the billing is subject to the Fulton County rate of 3%, and is to be reported on the Fulton County line.

When the occupant of the hotel or motel room is a permanent resident (that is, occupies the room for 90 or more consecutive days), then there is no tax charged on the rental of the room.

### Admission Charges

The Johnstown sales and use tax applies to taxable admissions for any event occurring on or after March 1, 1988 unless the admission tickets were actually sold and delivered to the purchaser before March 1, 1988. This is true whether or not the admission charge was paid prior to March 1, 1988.

Taxable admissions for events occurring before March 1, 1988 are subject to the 3% Fulton County sales and use tax, as are admission tickets which are sold and delivered prior to March 1, 1988. These admission charges are to be reported on the Fulton County line.

### Social and Athletic Club Dues

The dues for membership (including membership renewals) in a social or athletic club are subject to the Johnstown sales and use tax if the membership period for which the dues are paid begins on or after March 1, 1988. The Johnstown tax applies regardless of when the dues are billed, when they are paid, or the payment terms,

The dues paid for memberships which begin before March 1, 1988 are not subject to the Johnstown sales and use tax even though payment may actually be made on or after March 1, 1988. Such dues are subject to the 3% Fulton County tax and are to be reported on the Fulton County line.

Reporting Code Changes

While there is no change in the rate of tax charged within Fulton County or the Johnstown School District, there is a change in the distribution of sales and use tax revenues collected within these taxing jurisdictions, resulting in a corresponding change in reporting codes. The codes to be used on and after March 1, 1988 for Fulton County are as follows:

| <u>Return or Schedule</u> | <u>Tax Rate</u> | <u>Code</u> |
|---------------------------|-----------------|-------------|
| ST-810, ST-100 and ST-101 | 7%              | 1706        |
| Schedule E                | 7%              | E1706       |
| Schedule R                | 7%              | R1706       |
| Schedule U                | 3%              | L1706       |

The codes to be used on and after March 1, 1988 for Johnstown School District\* are as follows:

| <u>Return or Schedule</u>   | <u>Tax Rate</u> | <u>Code</u>   |
|---|-----------------|---|
| Schedule B - Part I - used to report tax on telephone, telegraph, refrigeration, and non-residential gas, electricity and steam service | 10%             | 1705 (inside City of Johnstown)<br><br>1725 (outside City of Johnstown) |

\*Note - The reporting code for Johnstown School District in Montgomery County (2722) has not changed.