

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

TSB-M-89 (11)S  
Sales Tax  
August 28, 1989

WHITE PLAINS CITY SCHOOL DISTRICT INCREASES ITS  
SALES TAX ON UTILITY SERVICES BY 1%

Acting on the authority granted to it under Section 1212 of the Tax Law, the Board of Education of the White Plains City School District adopted a resolution increasing its sales and use tax on consumer utilities and utility services from 2% to 3% effective September 1, 1989.

For the purpose of applying this tax, the terms, "consumer utilities" and "utility services" mean:

**S** gas, electricity, refrigeration and steam;  
**S** telephony and telegraphy (except interstate and international telephony and telegraphy);  
**S** gas, electric, refrigeration and steam service; and  
**S** telephone and telegraph service (except interstate and international telephone and telegraph service).

As a result of the action by the White Plains Board of Education, beginning September 1, 1989, all consumer utilities and utility services sold within the White Plains City School District, unless sold for resale, are subject to a 1% increase in sales and use tax, except as provided in the transitional provisions discussed later.

The tax rates on sales of consumer utilities and utility services made within the school district on or after September 1, 1989, are as follows:

<u>Rate of Tax</u>	<u>Type of Sale</u>
4 1/2%	Sales of gas, electricity, and steam, and gas, electric, and steam service for residential use.*
10 1/4%	Sales of gas, electricity, and steam, and gas, electric, and steam service for nonresidential use, and sales of refrigeration and refrigeration service for residential or nonresidential use.*
10 1/4%	Sales of telephony and telegraphy, and telephone and telegraph service (except interstate or international telephony and telegraphy, and interstate or international telephone and telegraph service).

NOTE: Generally, the tax rate on all other sales of taxable goods and services in the White Plains School District remains 7 1/4%.

Vendors who sell consumer utilities and utility services subject to the tax imposed by the White Plains City School District must report these sales on Schedule B of their sales and use tax return. For proper distribution of these

\*See TSB-M-7S(7)S for information on residential and nonresidential use.

revenues, the reporting codes and tax rates for the White Plains City School District as shown on any Schedule B that is to be filed for a period that begins on or after September 1, 1989 will be changed. Except as provided in the transitional provisions, taxable sales are to be reported on the White Plains City School District line of Schedule B as follows:

	<u>Rate</u>	<u>Code</u>
Schedule B, Part I - use to report all sales of: refrigeration and refrigeration services; telephony and telegraphy (except interstate or international); and telephone and telegraph service (except interstate or international service); and all sales of gas, electricity and steam, and gas, electric and steam services for nonresidential use.	10 1/4%	6556
Schedule B, Part II - use to report all sales of: gas, electricity and steam, and gas, electric and steam services for residential use.	4 1/2%	6555

Transitional Provisions

Utility Bills Based on Meter Readings

When a bill is issued based on a meter reading that occurred before September 1, 1989 the increased tax rate does not apply to any charges based on such reading. When a meter is read on or after September 1, 1989, the increased tax rate 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 on or after September 1, 1989. If more than one-half the number of days in the billing period fall before September 1, 1989, then the pre-September 1, 1989 tax rate applies.

Telephone Bills

Charges for the telephone service (other than charges for which a bill was previously issued) which appear on the first bill dated on or after September 1, 1989, are subject to the increased sales and use tax rate unless they are charges for services which were furnished prior to the date of the bill.

Any charges for services which were furnished before the date of the first bill dated on or after September 1, 1989, will be subject to the pre-September 1, 1989 tax rate, regardless of when such charges are actually billed.