

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

TSB-M-90 (9) S
Sales Tax
September 25, 1990

Imposition Of An Additional 1/4% Sales And Use Tax
By The City Of Rome

Chapter 769 of the Laws of 1990, approved July 27, 1990, amends section 1210(a) of the Tax Law authorizing the City of Rome to impose an additional 1/4% local sales and use tax for the period September 1, 1990 through August 31, 2000.

Pursuant to the above stated authorization, the City of Rome has imposed an additional 1/4% local sales and use tax on all taxable sales of tangible personal property and services, except sales of residential energy sources and services.* These sales are reported on page 2 of annual and quarterly returns for a total tax rate of 7 1/4% (1 3/4% City of Rome, 1 1/2% Oneida County and 4% New York State).

Effective September 1, 1990, the new reporting codes are as follows:

<u>Returns or schedule</u>	<u>Tax Rate</u>	<u>Code</u>
ST-810 - Quarterly Return for Part Quarterly Filers	7 1/4%	3039
ST-100 - Quarterly Return	7 1/4%	3039
ST-101 - Annual Return	7 1/4%	3039
ST-102 - Limited Jurisdiction Return	7 1/4%	3039
Schedule FR - Used to report tax on motor fuel and diesel motor fuel	7 1/4%	R3039
Schedule U - Used to report tax on parts with a useful life of one year or less, tools and supplies used in pro- duction (subject to tax in New York City only), and tax on services to pro- duction machinery, equip- ment, parts, tools and supplies.	3 1/4%	L3039

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

Transitional Provisions

Layaway Sales

The increased tax rate applies to all layaways where the purchaser takes possession of (picks up) the merchandise on or after September 1, 1990 unless:

- the merchandise was purchased under a written agreement that was entered into prior to May 1, 1990; and
- the merchandise was taken out of inventory and set aside for the customer before May 1, 1990; and
- at least 10% of the sale price was paid before September 1, 1990.

If all three of the above conditions are met, the pre-September 1, 1990 tax rate applies.

Utility Bills Based on Meter Readings *

When a bill is issued based on a meter reading that occurred before September 1, 1990, the increased tax does not apply to any charges based on such reading; the pre-September 1, 1990 tax rate applies.

When a meter is read on or after September 1, 1990, the increased city 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 after September 1, 1990. If more than one-half the number of days in the billing period fall before September 1, 1990 the pre-September 1, 1990 tax rate applies.

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 September 1, 1990 are subject to the increased sales and use tax rate unless the charges are for services 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 first bill dated on or after September 1, 1990 are subject to the pre-September 1, 1990 tax rate.

* Residential energy sources and services are not subject to tax in the City of Rome or Oneida County.

Hotel/Motel Room Bills

When charges for hotel or motel room occupancy are billed on a daily basis, then the increased tax rate applies to all such charges billed on or after September 1, 1990.

When charges for hotel or motel room occupancy are billed on other than a daily basis, the increased tax rate applies only to that portion of the bill which covers the days falling on and after September 1, 1990; the balance of the billing is subject to the pre-September 1, 1990 tax rate.

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

Admission Charges

The increased sales and use tax rate applies to taxable admissions for any event occurring on or after September 1, 1990, unless the admission tickets were actually sold and delivered to the purchaser before September 1, 1990. This is true whether or not admission charges were paid prior to September 1, 1990.

Admission tickets sold and delivered prior to September 1, 1990 are subject to the pre-September 1, 1990 tax rate.

Social and Athletic Club Dues

The dues for membership (including membership renewals) in a social or athletic club are subject to the increased sales and use tax rate if the membership period for which the dues are paid begins on or after September 1, 1990. The increased tax rate applies regardless of when the dues are billed, when they are paid, or the payment terms.

The dues paid for memberships which begin before September 1, 1990 are not subject to the increased sales and use tax rate even though payment may actually be made on or after September 1, 1990. Such dues are subject to the pre-September 1, 1990 tax rate.

Lump Sum or Unit Price Construction Contracts

If a lump sum or unit price construction contract was irrevocably entered into before July 27, 1990 (the date the local legislation was adopted), the contractor will be allowed a credit or refund of the increased sales or use tax paid on purchases of tangible personal property used solely in the performance of this contract.