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## How to Register for New York State Sales Tax

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### Introduction

If you will be making sales in New York State that are subject to sales tax, you must register with the Tax Department and obtain a *Certificate of Authority*. The *Certificate of Authority* gives you the right to collect tax on your taxable sales and to issue and accept most New York State sales tax exemption certificates. Generally, the seller collects the tax from the purchaser and remits it to New York State. If you expect to make taxable sales in New York State, you must register with the Tax Department at least 20 days before you begin business. New York State will then send you a *Certificate of Authority* which must be displayed at your place of business at all times. This bulletin explains:

- how to apply for a *Certificate of Authority*,
- the types of *Certificates of Authority*,
- when you need more than one *Certificate of Authority*, and
- the penalties for failure to register.

If you have any questions on whether or not you are required to register, see Tax Bulletin [Do I Need to Register for Sales Tax? \(TB-ST-175\)](#).

### Applying for a *Certificate of Authority*

To apply for a *Certificate of Authority* use [New York Business Express](#).

Your application will be processed and, if approved, we'll mail your *Certificate of Authority* to you. You cannot legally make any taxable sales until you have received your *Certificate of Authority*.

### Types of *Certificates of Authority*

The Tax Department issues two types of *Certificate of Authority* for sales tax purposes, *regular* and *temporary*. The type of *Certificate of Authority* you need is based on the expected duration of your business activities. The same form and application process are used for both types of certificates; however, the temporary certificate will be issued with a beginning and ending date.

### Regular *Certificate of Authority*

You must apply for a regular *Certificate of Authority* if you will be making taxable sales from your home, a shop, a store, a cart, a stand, or any other facility from which you regularly conduct your business. It does not matter whether you own or rent the facility.

If you make sales at a show or entertainment event, such as a craft show, antique show, flea market, or sporting event, you must apply for a regular *Certificate of Authority*, even if your sales are only on an isolated or occasional basis. The department no longer issues the *Certificate of Authority for Show and Entertainment Vendors* that was previously issued for these vendors. See [TSB-M-08\(13\)S](#), *Changes Regarding the Issuance of Certificates of Authority to Show and Entertainment Vendors*.

### **Temporary *Certificate of Authority***

If you expect to make taxable sales in New York State for no more than two consecutive sales tax quarters in any 12-month period, you may apply for a temporary *Certificate of Authority*. In determining whether you meet this requirement, keep in mind that the sales tax quarters are: March 1 through May 31, June 1 through August 31, September 1 through November 30, and December 1 through February 28 (February 29 in a leap year).

Show and entertainment vendors may not apply for a temporary *Certificate of Authority*; they must apply for a regular *Certificate of Authority*.

To request a temporary *Certificate of Authority*, you must indicate when you expect your business operation to begin and end. The temporary certificate will only authorize you to collect tax and conduct your business between those dates.

However, even if you are eligible to obtain a temporary *Certificate of Authority*, it may be to your benefit to apply for a regular *Certificate of Authority*. A regular certificate provides flexibility to continue your business without reapplying for a *Certificate of Authority* each time you begin business again. You may not apply for more than one temporary *Certificate of Authority* for any 12-month period.

For additional information on the types of *Certificates of Authority*, see [Publication 750, A Guide to Sales Tax in New York State](#).

### **Multiple locations**

You must have a *Certificate of Authority* for each business location. You can choose to file one sales tax return for combined sales at all locations or a separate return for each location.

If you plan to operate your business locations as separate business entities, you need to file an application for a separate *Certificate of Authority* for each location.

If you will have multiple locations, and you plan to operate them as one business, you can register all the locations using [New York Business Express](#). We will process your application and send you a *Certificate of Authority* for each location, all containing the same sales tax identification number.

If you are already a registered vendor and you are going to open an additional location, you can choose to combine your sales information and file a consolidated return. When adding a new location, you need to provide your current sales tax identification number along with the address of your additional location.

If you used [New York Business Express](#) to apply for your *Certificate of Authority*, you should also use it to register an additional location. Alternatively, you can send a letter or [Form DTF-17-ATT, Schedule of Business Locations for a Consolidated Filer](#), containing the information to:

NYS TAX DEPARTMENT  
SALES TAX REGISTRATION UNIT  
W A HARRIMAN CAMPUS  
ALBANY, NEW YORK 12227

If you prefer, you can call us at the [Sales Tax Information Center](#).

You must wait to receive your *Certificate of Authority* before you can begin business at the new location.

### **Duplicate *Certificate of Authority***

If you are already registered for sales tax with the Tax Department but need a duplicate copy of your *Certificate of Authority* because the original was misplaced or destroyed, you can call us at (518) 485-2889.

### **New *Certificate of Authority* needed for transfer of ownership and organizational changes**

A *Certificate of Authority* cannot be transferred or assigned. If you are buying an existing business, or taking over the ownership of a family business, you must apply for your own *Certificate of Authority*. You cannot use the *Certificate of Authority* that we issued to the previous owner.

You must also apply for a new *Certificate of Authority* if you are changing the organizational structure (legal form) of your business, such as switching from a sole proprietorship to a corporation. The new business must have its own *Certificate of Authority* before it begins business.

### **You must display your *Certificate of Authority***

You must prominently display your *Certificate of Authority* at your place of business, including additional locations. If you have no permanent physical location, you can attach it to your truck, cart, wagon, stand, or other vehicle or facility from which you conduct business. You may be subject to a \$50 penalty if you fail to properly display your *Certificate of Authority*.

### **You must file sales tax returns**

Once you receive your *Certificate of Authority*, you are considered to be in business for sales tax purposes even if you never make a sale or never open the doors of your establishment. Therefore, it is very important that you file your sales tax returns on time, even if you have no taxable sales. There are penalties for late filing even if you owe no tax. You can file your sales tax returns online using the Tax Department's [Online Services](#), located on our Web site. To learn more about the filing requirements, see Tax Bulletin [Filing Requirements for Sales and Use Tax Returns \(TB-ST-275\)](#).

### **Penalties for failing to register for sales tax**

If you are required to register for sales tax purposes but fail to do so and you operate a business without a valid *Certificate of Authority*, you will be subject to a penalty. The maximum penalty for operating a business without a valid *Certificate of Authority* is \$10,000, imposed at the rate of up to \$500 for the first day business is conducted without a valid *Certificate of Authority*, plus up to \$200 per day for each day after. For more information, see Tax Bulletin [Sales and Use Tax Penalties \(TB-ST-805\)](#).

### **Other business permits**

Many types of businesses need permits and licenses from other state and local agencies in addition to a New York State *Certificate of Authority*. For example, a restaurant may need a liquor license issued by the State Liquor Authority to serve alcoholic beverages, while an automotive repair shop may need special permits from the Department of Environmental Conservation for the disposal of oil and other pollutants. [New York Business Express](#) can assist you in determining if your particular type of business will need any additional licenses or permits.

In addition, your business will have additional responsibilities and obligations beyond the collection of sales tax. [Publication 20](#), *New York State Tax Guide for New Businesses*, provides information on New York State rules for corporation taxes, withholding taxes for employees, workers compensation benefits, and much more.

**Note:** A Tax Bulletin is an informational document designed to provide general guidance in simplified language on a topic of interest to taxpayers. It is accurate as of the date issued. However, taxpayers should be aware that subsequent changes in the Tax Law or its interpretation may affect the accuracy of a Tax Bulletin. The information provided in this document does not cover every situation and is not intended to replace the law or change its meaning.

#### **References and other useful information**

**Tax Law:** Sections 1101(a)(8) and 1105(a)

**Regulations:** Sections 526.10 and 533.1

**Publications:**

[Publication 20](#), *New York State Tax Guide for New Businesses*

[Publication 750](#), *A Guide to Sales Tax in New York State*

**Memoranda:** [TSB-M-08\(13\)S](#), *Changes Regarding the Issuance of Certificates of Authority to Show and Entertainment Vendors*

**Bulletins:**

[Do I Need to Register for Sales Tax? \(TB-ST-175\)](#)

[Exemption Certificates for Sales Tax \(TB-ST-240\)](#)

[Filing Requirements for Sales and Use Tax Returns \(TB-ST-275\)](#)

[Sales and Use Tax Penalties \(TB-ST-805\)](#)