

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

TSB-A-86(9)S
Sales Tax
February 14, 1986

STATE OF NEW YORK
STATE TAX COMMISSION

ADVISORY OPINION

PETITION NO. S851022A

On October 22, 1985, a Petition for Advisory Opinion was received from Awad Architectural Models, Inc., 260 West 36th Street, New York, N.Y. 10018.

The issue is whether the services provided by an architectural model maker are subject to the sales and use taxes imposed under Articles 28 and 29 of the Tax Law.

Petitioner creates three dimensional models of two dimensional architectural drawings. Initially, Petitioner:

- 1) creates drawings depicting various scales in relation to original architects drawings;
- 2) consults with architects pertaining to model design, error and/or fault in plan or drawing as indicated by the model;
- 3) corrects original drawings to reflect final approval designs; and
- 4) sketches, scores and marks model material (wood, plastics, cardboard, etc).

The above services represent approximately ninety percent of the model maker's task. All of these services are rendered prior to the actual commencement of the construction of the model. The remaining ten percent of the architectural model maker's task involves assembling and coloring the model material to form the final model.

The models are used by architects for a short period of time and then discarded. Petitioner states that he paid sales tax on all materials purchased and used in the fabrication of the model.

Section 1105(a) of the Tax Law imposes a tax on "...the receipts from any retail sale of tangible personal property..." Section 1101(b)(3) defines receipts as "...the amount of the sale price of any property...without any deduction for expenses..."

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The models furnished by Petitioner are used by architects but do not themselves qualify as the furnishing of an architectural service. Rather, Petitioner's sale of drawings, sketches, and models is the sale of tangible personal property. Accordingly, the entire charge by Petitioner to its customers is subject to tax. However, any materials purchased by Petitioner that become a component part of the models or other property sold to Petitioner's customers may be purchased without payment of sales tax if Petitioner presents to his supplier a properly completed Resale Certificate (Form ST-120) for such purchases.

DATED: February 14, 1986

s/FRANK J. PUCCIA
Director
Technical Services Bureau

NOTE: The opinions expressed in Advisory Opinions are limited to the facts set forth therein.