

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

TSB-H-81 (64) S
Sales Tax
March 30, 1981

STATE OF NEW YORK
STATE TAX COMMISSION

ADVISORY OPINION

PETITION NO. S801023B

On October 23, 1980, a Petition for Advisory Opinion was received from Meridian Graphics, Inc., 160 Varick Street, New York, New York 10013.

The issue raised is the proper method of computing the sales tax due where printed material is delivered to a purchaser within New York and where the purchaser subsequently mails some of the material to points outside New York.

Petitioner, a printer, delivered printed material to a customer in Albany County, New York. The customer contended that because it would be mailing some of the printed material to persons located outside New York sales tax should be collected at a reduced rate.

When printed material is delivered to a purchaser at a location within New York, sales tax at the combined state and local rate must be computed on the entire charge. The local rate applicable is that in effect, at the place of delivery within New York. Any subsequent mailing by the customer does not affect the rate of tax to be applied by the printer. The rate to be used by Petitioner to compute the sales tax on charges for printed material delivered to a purchaser in Albany County is 7%.

Under certain conditions, a printer providing mailing services or a printer delivering printed matter to a "mailer" - i.e., a person engaged in the business of providing mailing services - may use an alternative method of computing tax. These conditions are described and the alternative method is explained in a Tax Department publication, Collection and Reporting Instructions For Printers and Mailers (ST-152), which is available at local district tax offices. However, in this case Petitioner neither provided mailing services for its customer nor delivered the printed material to a person in the business of providing mailing services. Delivery of all of the material purchased was made to a customer at a location within New York. Therefore, the customer's contention that a reduced rate of sales tax should have been applied was erroneous.

DATED: March 16, 1981

s/LOUIS ETLINGER
Deputy Director
Technical Services Bureau

JAMES H. TULLY, JR., COMMISSIONER LOUIS M. JACOBSON, DEPUTY COMMISSIONER
FRANK J. PUCCIA, DIRECTOR