



Tractors, Trailers, Semitrailers, or Omnibuses - Exemption Form ST-121.1

Introduction

Exempt purchases or leases of qualifying vehicles, property, and services may be made using [Form ST-121.1](#), *Exemption Certificate for Tractors, Trailers, Semitrailers, or Omnibuses*. This bulletin explains:

- what kinds of property and services can be purchased exempt from sales tax using [Form ST-121.1](#),
- how to use the certificate, and
- penalties that may be imposed for misuse of the certificate.

Eligible exemptions

The following can be purchased or leased exempt from sales tax using [Form ST-121.1](#):

Vehicle	Eligible exemptions
Tractors, trailers, or semitrailers	<ul style="list-style-type: none"> • a <i>qualifying tractor, trailer, or semitrailer</i>; • tangible personal property for installation on qualifying tractors, trailers, or semitrailers, for their equipping, maintenance, or repair; • installation, maintenance, or repair services performed on qualifying tractors, trailers, or semitrailers, or performed on tangible personal property installed on these vehicles.
Omnibuses	<ul style="list-style-type: none"> • a <i>qualifying omnibus</i>; • parts, equipment, and lubricants used in operating a qualifying omnibus; • installation, maintenance, or repair services performed on a qualifying omnibus, or performed on parts, equipment, or lubricants used in the operation of the qualifying omnibus.

A *qualifying tractor, trailer, or semitrailer* is a vehicle being used in combination where the gross vehicle weight of the combination exceeds 26,000 pounds.

A *qualifying omnibus* is a motor vehicle weighing at least 26,000 pounds and measuring at least 40 feet in length that is used to transport persons for hire by an omnibus carrier operating with a certificate or permit issued by the New York State Department of Transportation, or by an appropriate agency of the United States.

How to use Form ST-121.1

If you are the purchaser and you qualify, fill out [Form ST-121.1](#) and give it to the seller. The instructions for [Form ST-121.1](#) provide detailed definitions of the vehicles and other property that are eligible for the exemptions. You must give the seller a properly completed [Form ST-121.1](#) within 90 days after the delivery of the property or

performance of the service. Sales tax exemption certificates may also be issued and accepted electronically. See [TSB-M-07\(1\)S](#), *Electronic Resale and Exemption Documents for Sales and Compensating Use Taxes*.

You may use [Form ST-121.1](#) as a single-purchase certificate, or as a blanket certificate covering the first and subsequent purchases of the same general type of property or service from the same seller.

Taxable purchases

[Form ST-121.1](#) cannot be used to purchase the following:

- nonqualifying vehicles or omnibuses;
- motor fuel or diesel motor fuel;
- services for, or property to be installed on, nonqualifying vehicles;
- equipment not installed as part of a qualifying tractor, trailer, or semitrailer (e.g., hand tools, road flares, and road reflectors), unless sold as part of the original equipment; or
- shop equipment (e.g., service jacks, tire changers, part washers, battery chargers, and truck and tractor washers).

However, omnibus carriers not eligible for the exemption described above may qualify for a refund or credit of taxes paid on certain vehicles, property, services, and fuel if they are providing a local transit service. If eligible, the omnibus carrier can use [Form AU-11](#), *Application for Credit or Refund of Sales or Use Tax*, to apply for a refund for taxes paid on property or services. Additionally, the omnibus carrier can use [Form FT-500](#), *Application for Refund of Sales Tax Paid on Petroleum Products*, to apply for a refund of taxes paid on qualifying fuel purchases.

Penalties

Misuse of this exemption certificate may subject you to serious civil and criminal sanctions in addition to the payment of any tax and interest due. These include:

- a penalty equal to 100% of the tax due;
- a \$50 penalty for each fraudulent exemption certificate issued;
- criminal felony prosecution, punishable by a substantial fine and a possible jail sentence; and
- revocation of your *Certificate of Authority*, if you are required to be registered for sales tax purposes.

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 1115(a)(26), 1115(a)(32), 1115(g), 1115(u), 1119(b), and 1145(a)(5)

Regulations: Sections 528.26 and 534.4

Memoranda:

[TSB-M-87\(16\)S](#) and [\(16.1\)S](#), *Sales Tax Exemption for Tractors, Trailers & Semi-Trailers*

[TSB-M-97\(12\)S](#), *Summary of Sales Tax Changes - 1997 Budget Legislation*

[TSB-M-07\(1\)S](#), *Electronic Resale and Exemption Documents for Sales and Compensating Use Taxes*

Bulletins:

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

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