

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

TSB-M-84 (16)S
Sales Tax
October 23, 1984

City of Mount Vernon Imposes Local Sales
and Use Tax of 2½%

Effective December 1, 1984 - Pursuant to the authority granted by section 1210 of Article 29 of the New York State Sales and Use Tax Law, the City of Mount Vernon has imposed a sales and use tax rate of 2½%.

The combined sales and use tax rate of 8¼% (4¼% state*, 1½% county and 2½% city) applies within the City of Mount Vernon to all taxable sales of tangible personal property and services and all purchases subject to use tax reportable on Page 2 of all annual and quarterly returns under Code 5513.

Transactions Reportable on Schedules (as shown below)

Schedule A

All vendors who have receipts from admissions, club dues and cabaret charges must report those receipts for the City of Mount Vernon on Schedule A under Code 5517 at 8¼%.

Schedule B

Sales of residential energy sources and services are subject to the combined local sales and use tax rate of 4% (1½% county and 2½% city). They are exempt from the state portion of the tax. Residential energy sources and services are: fuel oil (but not diesel motor fuel); coal; propane (except when sold in containers of less than 100 pounds); natural gas; electricity; steam; wood for residential heating purposes; and gas, electric and steam services. Sales in the City of Mount Vernon of these energy sources and services used for residential purposes are reportable on Schedule B - Part III under Code 5516.

Schedule D

Registered motor fuel distributors must report sales of motor fuel on Schedule D on the line for the locality in which delivery occurs, but not necessarily at the rate of tax in effect in that locality. The rate may vary depending on the purchaser, as explained in TSB-M-82(28.1)S. The distributor must also report use tax on Schedule D at 8¼%. The code for Mount Vernon on Schedule D is D5513.

*4¼% is the prevailing state rate throughout the Metropolitan Commuter Transportation District which includes Westchester County in which the City of Mount Vernon is located.

Schedule E

The combined State and local sales and use tax rate of 8¼% applies to taxable sales of diesel motor fuel and purchases of diesel motor fuel for self-use reportable for the City of Mount Vernon on Schedule E under Code E5513.

Schedule U (Page 2 Supplement)

A sales and use tax at the combined local rate of 4% (1½% county and 2½% city) must be collected on sales of servicing, installing, repairing or maintaining manufacturing machinery, equipment, apparatus, parts, tools and supplies used directly and predominantly in the production of tangible personal property for sale. This tax must be reported on Schedule U (Page 2 Supplement); the code for Mount Vernon on Schedule U is 5518.

SPECIAL TRANSITIONAL PROVISIONS

Where delivery or transfer of possession occurs on or after December 1, 1984, the new combined state and local sales and use tax rate applies, except as noted in the following instances:

Layaway sales

The old tax rate will apply if: (1) a written agreement was made before August 1, 1984, (2) the item sold was segregated from other similar property in the possession of the vendor before August 1, 1984, and (3) the purchaser pays at least 10% of the sales price before December 1, 1984.

Utility bills for gas and electricity based on meter readings

The increased tax rate will be applied to a bill only if more than one half of the days covered by this bill are days after November 30, 1984.

Telephone bills

The increased tax rate will be applied only to charges for services furnished on or after the date of the first bill dated in December 1984.

Social and athletic club dues

The increased tax rate will be applied to all bills covering any period which begins on or after December 1, 1984. The increased tax rate will not be applied to bills covering periods which begin before December 1, 1984.

Admissions

The increased tax rate will be applied to taxable admissions for any event occurring on or after December 1, 1984, unless the tickets were actually sold and delivered to the purchaser before December 1, 1984, regardless of whether the admission charges were paid before such date.

Hotel occupancy

The increased tax rate applies to all daily rentals on or after December 1, 1984, unless the occupant is a permanent resident (ninety days consecutive occupancy). If the rental is not on a daily basis, the new rate will be applied to the charge on a prorated basis.

Preexisting lump sum or unit price construction contracts

If a preexisting lump sum or unit price construction contract was irrevocably entered into before August 28, 1984, the contractor will be allowed a credit or refund of the increased local sales and use tax paid on purchases of tangible personal property used solely in the performance of this contract.