



New York State Department of Taxation and Finance  
New York State and Local Sales and Use Tax

## Resale Certificate

- This certificate cannot be used by contractors to purchase materials and supplies.
- This certificate cannot be used to purchase motor fuel or diesel motor fuel.

**ST-120** (5/96)

**To Purchasers and Sellers:**  
**Read Instructions on Back**  
**Carefully Before Issuing or**  
**Accepting this Certificate**

### Seller Information - please type or print

Last name	First name and middle initial	
Mailing address (number and street or rural route)		
City, village or post office	State	ZIP code

You must collect tax on all taxable sales of property or services unless the purchaser gives you a property completed exemption document no later than 90 days after the date of sale. You must keep the certificate for at least three years as explained in the instructions.

### Purchaser Information

#### Part 1 - I certify that:

- I have a New York State Certificate of Authority, no. \_\_\_\_\_, authorizing me to  
(Enter your certificate of authority number)  
collect New York State and local sales tax, and that this certificate has not expired, or been suspended or revoked.
- I am principally engaged in the business of \_\_\_\_\_

#### Part 2 - Check all that apply:

I am registered as a-

- ☐ **temporary vendor** and this is a **single purchase** certificate. My certificate of authority expires on \_\_\_\_/\_\_\_\_/\_\_\_\_
- ☐ **vendor, show vendor or entertainment vendor**, and this is a ☐ **single purchase certificate** ☐ **blanket certificate**.

I am purchasing:

- ☐ tangible personal property (other than motor fuel or diesel motor fuel) for resale in its present form or as a physical component part of tangible personal property; or
- ☐ tangible personal property (other than motor fuel or diesel motor fuel) for use in performing taxable services, and the property will become a physical component part of the property upon which the services will be performed, or the property will actually be transferred to the purchaser of the service in conjunction with the performance of the service; or
- ☐ a service for resale, including the servicing of tangible personal property held for sale.

#### Part 3 - I understand that:

- I **may not** use this certificate to purchase items or services that are not for resale.
- If I purchase tangible personal property or services without paying tax, and I use or consume the tangible personal or services myself, I must report and pay the use tax with my sales tax return for the period in which the property or services are used or consumed.
- I will incur tax liabilities, in addition to penalty and interest, for any misuse of this certificate.

Please type or print

Purchaser's name as it appears on the certificate of authority	Name of owner, partner, member, or officer of corporation, authorizing the purchase(s)			
Street address	Signature			
City	State	ZIP code	Title	Date

**Substantial penalties will result from misuse of this certificate**

## Instructions

Form ST-1 20, *Resale Certificate*, is a sales tax exemption certificate. Only a purchaser who has a valid Certificate of Authority issued by the NYS Tax Department may use this form. The purchaser must present a properly completed Resale Certificate to the seller to claim exemption from tax for purchases of tangible personal property (other than motor fuel or diesel motor fuel) or services, that they will resell or transfer to the customer. (See items A, B and C on certificate.)

When property or services intended for resale are purchased tax exempt with a Resale Certificate, but are later used or consumed by the purchaser rather than resold, use tax is due on the purchase price. When manufacturers, processors, or assemblers convert to personal use, the same kind of products (items) as those they sell in the regular course of business, the basis of tax is the normal selling price of the product, rather than the cost.

**As** a purchaser, a vendor, other than a temporary vendor,\* may file a blanket resale certificate with the seller to cover all purchases of the same general type of property or service purchased for resale. However, each purchase invoice based on a blanket Resale Certificate must show the purchaser's name, address and Certificate of Authority identification number.

### Limitation on use

Contractors cannot use this certificate. They must either:

- issue Form ST- 1 20. 1, *Contractors Exempt Purchase Certificate*, if the tangible personal property being purchased qualifies for exemption as specified by the certificate, or
- issue Form AU-297, *Direct Payment Permit*, or
- pay sales tax at the time of purchase.

Contractors are entitled to a refund or credit of sales tax paid on materials used in repairing, servicing or maintaining real property, if the materials are transferred to the purchaser of the taxable service in conjunction with the performance of the service. For additional information, see Publication 862, *Sales and Use Tax Classifications of Capital Improvements and Repairs to Real Property*.

### To the Purchaser

If you intentionally issue a fraudulent exemption certificate, you will become liable for penalties and interest, in addition to the sales tax initially due. Some penalties that apply:

- 100% of the tax due
- \$50 for each fraudulent exemption certificate issued
- a misdemeanor. penalty consisting of fines not to exceed \$10,000 for an individual or \$20,000 for a corporation
- loss of your Certificate of Authority

\* The term *temporary vendor* was added to the Tax Law September 1, 1994. It is defined as a vendor, other than a show or entertainment vendor, who, in no more than two consecutive quarters in any 12-month period, makes sales of tangible personal property or services that are subject to tax.

### To the Seller

You must get a properly completed exemption certificate from your customer **no later than 90 days after** the delivery of the property or the performance of the service, or we will deem the sale to have been taxable. When you receive a certificate after the 90 days, both you and the purchaser are subject to the burden of proving that the sale was exempt, and additional documentation may be required. An exemption certificate received on time that is not properly completed will be considered satisfactory if the deficiency is corrected within a reasonable period.

Your failure to collect sales and compensating use tax because you accepted an improperly completed exemption certificate makes you, the seller, personally liable for the tax, plus any penalty and interest due. If you are given a properly completed New York State exemption document, you will not be responsible if the purchaser misuses the certificate unless you know about the misuse.

**You must keep this exemption certificate for at least three years** after the due date of the return to which it relates, or the date the return was filed, if later. You must also maintain a method of associating an exempt sale made to a customer with the exemption certificate you have on file from that customer.

**Caution:** You must have a valid New York State Certificate of Authority to sell any taxable tangible personal property or service (or to buy or sell for resale). If you engage in these transactions without possessing a valid Certificate of Authority, besides the criminal penalties imposed, you will be subject to a penalty of up to \$500 for the first day on which you make a sale or purchase and up to \$200 for each additional day, up to a maximum of \$10,000.

### Need Help?

**For Information, forms or publications**, call the Business Tax Information Center at 1 800 972-1233. The call is toll free from anywhere in the U.S. (including Alaska and Hawaii) and Canada. For information, you can also call toll free (from New York State only) 1 800 CALL TAX (1 800 225-5829). From areas outside New York State, call (518) 438-8581. For forms or publications, you can also call toll free (from New York State only) 1 800 462-8100. From areas outside New York State, call (518) 438-1073.

**Telephone assistance is available from 8-30 a.m. to 4:25 p.m., Monday through Friday.**

**Hotline for the Hearing and Speech Impaired** - If you have a hearing or speech impairment and have access to a telecommunications device for the deaf (TDD), you can get answers to your New York State tax questions by calling 1 800 634-21 10 toll free from anywhere in the U.S. (including Alaska and Hawaii) and Canada. Hours of operation are from 8:30 a.m. to 4:15 p.m., Monday through Friday. If you do not own a TDD, check with independent living centers or community action programs to find out where machines are available for public use.

**Persons with Disabilities** - In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call the information numbers listed above.

If you need to write, address your letter to: NYS Tax Department, Taxpayer Assistance Bureau, W A Harriman Campus, Albany NY 12227.