



GOVERNMENT AFFAIRS COMMITTEE NEWS & UPDATES

ALERT

New York State Department of Taxation and Finance recently issued a memorandum clarifying that certain services provided by many members of our industry are subject to Sales & Use Tax. The memorandum notes an effective date of 09/01/2010.

NPRRA has contracted Mark S. Klein, partner at the New York Law Firm of Hodgson Russ LLP, to draft a brief memorandum on the subject with focus on the perspective of our industry. The memorandum is attached here and is posted at the Government Affairs Committee page at the NPRRA website (www.NPRRA.org).

Understanding that certain of the regulations are new and to a degree untested, NPRRA has also formed a committee commissioned with the task of coming up with a list of questions to be submitted to the New York State Department of Taxation and Finance in the form of a **Request for Advisory Opinion**. The goal will be to gain clarification directly from the Tax Department on items that may not be sufficiently detailed in statutes and issued notices. We aim to have the request finalized and submitted to the Tax Department shortly after our upcoming conference. You may forward questions for consideration to Jeffs@precisioncorp.com for presentation to the committee.

Information

Please be aware that we will have an **educational session with Mark S. Klein** at our **annual conference in New Orleans coming up next week**. Attendees will be able to learn more about the issue and we will be certain to designate a significant portion of the session for Q&A. Be sure to get registered for the conference if you have not already! **conference registration info:** <http://www.nprra.org/meetings/conference.htm>

NPRRA has elected to spotlight this issue due to the effect it can have not only on our significant number of New York members, but also in many cases those merely shipping items to New York. We also understand that in these tough economic times many states are looking for alternate sources of revenue and could easily look to enact similar policies. Indeed some members have indicated that their states have some sort of similar regulations in place already. This is surely an issue that will not go away soon.

Links to the NY Dept of Taxation and Finance documents:

7/19/2010 memorandum, http://www.tax.state.ny.us/pdf/memos/sales/m10_7s.pdf

9/27/2010 bulletin, http://www.tax.state.ny.us/pubs_and_bulls/tg_bulletins/st/abstracts_of_title.htm

NPRRA has elected to share this information with certain similarly situated companies and groups that may not be NPRRA members. We would like to encourage those interested in this and other similar topics to join NPRRA and follow the developments. Our members will have opportunity to help shape our Request for Advisory Opinion and will benefit from immediate dissemination of the resulting answers from NY. Join the conversation and experience the benefits of NPRRA membership by visiting www.nprra.org to become a member!

NPRRA is a non-profit industry association. Having a qualified attorney handling the items discussed herein incurs significant cost. [Please consider a donation](#) to NPRRA if you find value in our pursuit of this issue. Donations can be sent via check to:

NPRRA, 2501 Aerial Center Pkwy, Ste. 103, Morrisville, NC 2756

NPRRA does not provide any direct guidance or recommendations for dealing with sales tax issues. We encourage members to be familiar with the laws of the states in which you conduct business. Our efforts on this matter are directed towards providing our members access to information and the tools to make qualified decisions.

www.nprra.org

jeffs@precisioncorp.com

Jeffrey Speredelozzi, NPRRA Government Affairs Committee Chair