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When you have a sales tax problem,
we are the solution!

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It's Not Easy Being Green Electronic Exemption Certificates

Following the “green” initiative, the New York State Tax Department now allows the use of certain electronic resale and exemption certificates, known as e-certificates. Sales of tangible personal property or certain services are presumed subject to sales tax unless a resale or exemption certificate is provided from the buyer to the seller. E-certificates are not required; the previous paper certificates may still be used.

The Tax Department does not have an e-certificate

form. Buyers and sellers have the freedom to establish the form that will be used and the means by which they will be issued and received.



However, an e-certificate must have all

the language and wording as the current paper resale or exemption form. Any modified language, including additions or deletions, must be pre-approved by the Tax Department.

The buyer can electronically sign the e-certificate though there is mandatory electronic signature language at the end of an e-certificate that must be included. The Tax Department states that an electronic signature is “an electronic sound, symbol, or process, attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the record.” The Tax Department does not require authentication of the electronic signature, but does require that the seller make reasonably certain that the buyer signing the e-certificate is the buyer listed on the e-certificate.

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As Kermit the Frog says, “It’s not easy being green.” E-certificates are environmentally friendly but can be complicated. If you choose to use an e-certificate, we can review it to ensure the correct language is used. Don’t let being green, cost you some green!

Success Stories

A Priceless Savings

In order to collect and remit sales tax to New York State, a company must be a registered vendor. In order to be a registered vendor, the company must obtain a certificate of authority. However, the law states that if the company or an owner/officer has a tax liability, the Tax Department can refuse to issue or renew a certificate of authority.

For example, an officer of a company had a personal tax liability from the 1980s that was uncollectable because the statute of limitations had run. The Tax Department refused to renew the company’s certificate of authority due to the officer’s outstanding tax liability.

Sales Tax Defense recommended that the taxpayer resign as an officer and have a relative take over the position. We obtained all the paperwork required and assisted the company and taxpayer with submitting the correct forms. The Tax Department renewed the company’s certificate of authority. We were able to keep the company in business...a priceless savings!

*Wishing you and your families
a Happy Thanksgiving!*

About Us

We are a dedicated team of sales and use tax professionals who have committed our careers to helping businesses and fellow professionals with sales and use tax problems. Since the only work we are focused on is sales tax consulting, businesses never have to be concerned that we will try to sell them other services they do not need. And professionals never have to be concerned with us encroaching on their client relationships, because we view you, our fellow professional, as our client.

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