



# Qualified Empire Zone Enterprise (QEZE) Exempt Purchase Certificate

**ST-121.6**

(5/05)

To be completed by  
the purchaser and  
given to the seller

Name of seller	Name of QEZE/purchaser
Street address	Street address
City State ZIP code	City State ZIP code
QEZE certification number <i>(issued by the New York State Tax Department)</i>	

Mark an **X** in one:    Single purchase certificate ☐  
                                  Blanket purchase certificate ☐

**You cannot use this form to purchase motor fuel or diesel motor fuel exempt from tax.**

**Exempt purchases***(Mark an X in boxes that apply)*

- ☐ A. Tangible personal property or services (other than consumer utility services and motor vehicles). The property or services will be directly and predominantly (at least 50%) used or consumed by the QEZE in an empire zone in which the QEZE has qualified for benefits.
- ☐ B. Consumer utility services (other than telephony and telegraphy, telephone and telegraph services, and telephone answering services). The services will be directly and exclusively (100%) used or consumed by the QEZE in an empire zone in which the QEZE has qualified for benefits.
- ☐ C. Telephony and telegraphy, telephone and telegraph services, and telephone answering services. These services will be delivered and billed to the QEZE at an address in an empire zone in which the QEZE has qualified for benefits.
- ☐ D. Motor vehicle to be used predominantly (at least 50%) in an empire zone in which the QEZE has qualified for benefits. (See below and the back for further information.)
- ☐ E. Tangible personal property related to a qualifying motor vehicle (as described in box D above).

Purchases made with this certificate are exempt from the New York State sales and use tax rate and from the  $\frac{3}{8}\%$  tax imposed in the Metropolitan Commuter Transportation District (MCTD). Purchases (other than motor vehicles) are exempt from the local sales and use tax only if the purchaser takes possession of the property or uses the service in a locality that has enacted the QEZE exemptions. Purchases of motor vehicles are exempt from the local tax if the locality in which the QEZE will predominantly use the vehicle has enacted the QEZE exemptions, regardless of where delivery takes place.

It is the responsibility of the seller to determine whether an exemption from local tax applies. See Publication 718-Q, *Local Sales and Use Tax Rates on Sales to a Qualified Empire Zone Enterprise (QEZE)*, for a listing of the local jurisdictions that enacted the QEZE exemptions and the rates in effect in those localities that did not enact the exemption. (See back for further information.)

**Certification.** I certify that the above statements are true and correct. I make these statements with the knowledge that knowingly making a false or fraudulent statement on this document is a misdemeanor under section 1817 of the Tax Law and section 210.45 of the Penal Law, punishable by imprisonment for up to a year and a fine of up to \$10,000 for an individual or \$20,000 for a corporation. I understand that the Tax Department is authorized to investigate the validity of the exemption claimed or the accuracy of any information entered on this form.

Signature of purchaser or purchaser's representative <i>(give title and relationship)</i>	Date
Type or print the name that appears in the signature box	

## Instructions

### To the purchaser

You may use Form ST-121.6 only if your business:

1. has received Form DTF-81, *Qualified Empire Zone Enterprise (QEZE) Sales Tax Certification*, from the New York State Tax Department; and
2. has met the required employment test for the preceding taxable year; and
3. has not been decertified by the Commissioner of Economic Development.

You may use Form ST-121.6 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.

You may not use Form ST-121.6 to purchase motor fuel or diesel motor fuel exempt from tax. If you purchase motor fuel or diesel motor fuel and use it in an exempt manner, you may apply for a refund using Form FT-500, *Application for Refund of Sales Tax Paid on Automotive Fuels*.

**Note:** Residual petroleum product is not diesel motor fuel. You may make qualifying purchases of residual petroleum product by marking box A on the front of this form.

### Exempt purchases

- A. By marking box A, you may purchase tangible personal property and services exempt from New York State tax, and possibly local tax. The property or service must be directly and predominantly (at least 50%) used or consumed by the QEZE in an empire zone in which the QEZE has qualified for benefits. Most food or drink purchased at a grocery store is exempt from tax. A QEZE may purchase otherwise taxable items, such as soda, candy, fruit drinks, or bottled water exempt from tax at a grocery store. However, the exemption does not apply to purchases of items such as sandwiches, hot food, hot drink, or restaurant meals. The exemption also does not apply to rent for hotel occupancy or charges for admission to a place of amusement.
- B. By marking box B, you may purchase consumer utility services exempt from New York State tax, and possibly local tax. The utility services must be directly and exclusively (100%) used or consumed by the QEZE in an empire zone in which the QEZE has qualified for benefits. This includes gas, electricity, refrigeration, and steam, and gas, electric, refrigeration, and steam services of whatever nature.
- C. By marking box C, you may purchase telephony and telegraphy, telephone and telegraph services, and telephone answering services exempt from New York State tax, and possibly local tax. These services must be delivered and billed to the QEZE at an address in an empire zone in which the QEZE has qualified for benefits.
- D. By marking box D, you may purchase motor vehicles exempt from New York State tax, and possibly local tax. The vehicle must be predominantly (at least 50%) used by the QEZE in an empire zone in which the QEZE has qualified for benefits. Predominant use in empire zones will occur if any one of the following conditions is met:
  - At least 50% of the vehicle's use is exclusively in such zones.
  - At least 50% of the vehicle's use is in activities originating or terminating in such zones.
  - At least 50% of the vehicle's use is a combination of use exclusively in such zones and in activities originating or terminating in such zones.

The QEZE may choose to compute the usage of the vehicle based on either hours of use or miles traveled. The QEZE exemptions pertaining to motor vehicles also apply to the special taxes imposed under Article 28-A of the Tax Law on passenger car rentals.

- E. By marking box E, you may purchase tangible personal property related to a qualifying motor vehicle exempt from New York State tax, and possibly local tax, provided the motor vehicle is used predominantly (at least 50%) by a QEZE in an empire zone in which the QEZE has qualified for benefits. Examples of tangible personal property related to a motor vehicle include a battery, an engine, engine components, a muffler, tires and similar tangible personal property used in or on a motor vehicle.

Purchases made with this certificate are exempt from the New York State sales and use tax rate and from the  $\frac{3}{8}\%$  tax imposed in the Metropolitan Commuter Transportation District (MCTD). Purchases (other than motor vehicles) are exempt from local sales and use tax only if the purchaser takes possession of the property or uses the service in a locality that has enacted the QEZE exemptions. Purchases of motor vehicles are exempt from local tax if the locality in which the QEZE will predominantly use the vehicle has enacted the QEZE exemptions, regardless of where delivery takes place.

If you purchase property or services in a locality that has enacted the QEZE exemptions and use the property or services in a locality that has not enacted the QEZE exemptions, you are required to pay use tax at the rate in effect where the property or service is used. Similarly, if you purchase property or services in a locality that has not enacted the QEZE exemptions and use the property or service in a locality that also has not enacted the QEZE exemptions, but which has a higher local tax rate, you are required to pay use tax. You also owe use tax if you use the property or services more than 50% of the time outside your empire zones. If you are registered with the New York State Tax Department as a sales tax vendor, report the purchase and pay the tax on your sales tax return. If you are not required to be registered with the Tax Department, report the purchase and pay the tax using Form ST-130, *Business Purchaser's Report of Sales and Use Tax*.

### Misuse of this certificate

Any person who issues a false or fraudulent exemption certificate may be liable for penalties and interest in addition to the sales tax initially due. Some penalties that apply are:

- 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)
- Revocation of your *Certificate of Authority*, if you are required to be registered as a vendor

### To the seller

It is the responsibility of the seller to determine whether an exemption from local tax applies. See Publication 718-Q, *Local Sales and Use Tax Rates on Sales to a Qualified Empire Zone Enterprise (QEZE)*, for a listing of the local jurisdictions that enacted the QEZE exemptions and the rates in effect in those localities that did not enact the exemption.

As a New York State registered vendor, you may accept an exemption certificate in lieu of collecting tax and be protected from liability for the tax if the certificate is valid. The certificate will be considered valid if it is:

- accepted in good faith;
- in your possession within 90 days of the transaction; and
- properly completed (all required entries were made).

An exemption certificate is accepted in good faith when you have no knowledge that the exemption certificate is false or is fraudulently given, and reasonable ordinary due care is exercised in the acceptance of the certificate. If an exemption certificate with all entries completed is not received within 90 days after the delivery of the property or service, you will share with the purchaser the burden of proving the sale was exempt.

You must also maintain a method of associating an invoice (or other source document) for an exempt sale made to a purchaser with the exemption certificate you have on file from that purchaser. You must keep this 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.

### Privacy notification

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 171, 171-a, 287, 308, 429, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).

This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Director of Records Management and Data Entry, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone 1 800 225-5829. From areas outside the United States and outside Canada, call (518) 485-6800.

### Need help?



**Internet access:** [www.nystax.gov](http://www.nystax.gov)  
(for information, forms, and publications)



**Fax-on-demand forms:** 1 800 748-3676



**Business Tax Information Center:** 1 800 972-1233  
From areas outside the U.S. and  
outside Canada: (518) 485-6800

**Hearing and speech impaired** (telecommunications  
device for the deaf (TDD) callers only): 1 800 634-2110