

**CT-120**  
(12/11)

New York State Department of Taxation and Finance

# Resale Certificate for Telecommunication Purchases

Single-use certificate ☐Blanket certificate ☐

Date issued \_\_\_\_\_

**Telecommunication services provider information — please type or print**

Name		
Address		
City	State	ZIP code

**Telecommunication services reseller certification****I, the reseller, certify that:**

- I am a reseller of telecommunications services. My valid sales tax *Certificate of Authority* number issued by the Tax Department is \_\_\_\_\_.
- I am purchasing telecommunication services for resale as telecommunication services.
- I understand I may not use this certificate to purchase telecommunication services that are not for resale as telecommunication services.
- If I purchase telecommunications for resale as telecommunication services, but I use the services myself, or do not resell the services as telecommunication services, I must report and pay the unpaid tax directly to New York State.
- I understand I will incur tax liabilities, in addition to penalty and interest, for any misuse of this certificate.

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 Tax Law section 1817 and Penal Law section 210.45, 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.

*Please type or print*

Reseller's name as it appears on the sales tax <i>Certificate of Authority</i> issued by the Tax Department		Name of owner, partner, or officer of corporation, authorizing the purchase	
Street address		Purchase authorizer's signature	
City	State	ZIP code	Purchase authorizer's title

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

## Instructions

### General information

Form CT-120 is used by a reseller of telecommunication services to obtain telecommunication services that are exempt from the excise taxes imposed under Tax Law, Article 9, section 186-e.

This certificate is only for use by a reseller of telecommunication services who:

- is registered as a New York State sales tax vendor;
- has a valid sales tax *Certificate of Authority* issued by the Tax Department; and
- is making purchases of telecommunication services that will be resold as such to the reseller's customers.

A properly completed certificate must be provided to the provider within 90 days after the provision of the telecommunication services. A certificate of resale is not properly completed if it does not include the reseller's sales tax *Certificate of Authority* number issued by the Tax Department.

This certificate is valid only for purchases made on or after January 1, 2009.

### To the reseller

Enter all the information requested on page 1. You may mark an **X** in the *Blanket certificate* box to cover all telecommunications services purchased for resale as telecommunication services. If you do not mark the *Blanket certificate* box, the certificate will be deemed a *Single-use certificate*.

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

- 100% of the tax due
- \$50 for each fraudulent exemption certificate issued

If you do not resell as telecommunication services the telecommunications services purchased with this resale certificate, report and pay the unpaid tax on either Form CT-186-E, *Telecommunications Tax Return and Utility Services Tax Return*, or Form CT-186-EZ, *Telecommunications Tax Return-Short form*.

### To the provider of telecommunication services

If you are providing telecommunication services and you accept a resale certificate, you will be protected from liability for the tax if the certificate is valid. The certificate will be considered valid if it was:

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

A certificate is accepted in good faith when a provider has no knowledge that the resale certificate is false or is fraudulently given, and reasonable care is exercised in the acceptance of the certificate.

You must get a properly completed resale certificate from the reseller no later than 90 days after the provision of the service. When you receive a certificate after the 90 days, both you and the reseller are subject to the burden of proving that the sale was exempt, and additional documentation may be required.

A resale certificate received on time that is not properly completed will be considered satisfactory if the deficiency is corrected within a reasonable period. You must also maintain a method of associating an invoice (or other source document) for an exempt sale made to a reseller with the resale certificate you have on file from that reseller.

### Invalid exemption certificates

Sales of telecommunication services not supported by valid resale certificates are deemed to be taxable excise tax sales. The burden of proof that the tax was not required to be collected is upon the provider.

### Retention of exemption certificates

**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.

### Need help?



Visit our Web site at **[www.tax.ny.gov](http://www.tax.ny.gov)**

- get information and manage your taxes online
- check for new online services and features



#### Telephone assistance

**Corporation Tax Information Center:** (518) 485-6027

To order forms and publications: (518) 457-5431



**Text Telephone (TTY) Hotline** (for persons with hearing and speech disabilities using a TTY): If you have access to a TTY, contact us at (518) 485-5082. If you do not own a TTY, 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, call the information center.

### 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 5-a, 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 Manager of Document Management, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone (518) 457-5181.