



New York sales tax guide

Standard rate

The standard sales tax rate in New York ranges for 2024 from 4% to 8.875%.

Reduced rate

Alternative fuels (CNG, hydrogen, E85) are exempt from state and local sales tax, and biodiesel (B20): 3-4.7%.

Sales of tax-free products and services

Food for home;

Medicines;

Personal and professional services;

Digital services are tax-exempt in New York;

Stream music;

Ringtones;

Movies;

SAAS software.

Who must register sales tax in New York

If you are selling in New York, have the required Nexus in New York, and your buyers are required to pay sales tax, you must register to collect and pay sales tax in New York.

Threshold

Starting June 21, 2018, out-of-state dealers with sufficient physical or economic presence to establish nexus in New York must register to collect sales tax. This includes online retailers or remote sellers that meet the \$300,000 in annual New York gross sales, or 100 or more transactions to New York customers, threshold.

[Merchant thresholds by state](#)

[Marketplace thresholds by state](#)

The special rules are applicable to the SAAS business.

[Software as Service Tax Thresholds by state.](#)

Online Marketplaces

If all of your sales in New York are through a marketplace reseller platform, you can not register for paying New York sales tax. Your marketplace facilitator pays the sales tax itself.

If you are selling through your own website, then you will need to register for paying sales tax if you meet the \$300,000 or 100 transactions threshold for remote sellers.

Registration procedure

If you need to register, you can register online through the New York Department of Taxation and Finance website.

Information provided by the company:

Federal Employer Identification Number (FEIN);

Legal business name; business address and mailing address (if different than business address);

Projected monthly sales and monthly taxable sales;

Products to be sold.

Sales tax payment and filing date

Depending on your tax liability, determine your filing frequency – either monthly, quarterly, or Annual:

Quarterly – \$1,000 to \$99,999.99;

Monthly – \$300,000.00 and up;

Annual – \$0 to \$2,999.99.

Return is due by the 20th of the month following the filing period. If the filing due date falls on a weekend or holiday, sales tax is due the next business day.

Penalty and interest

Late filing of fewer than 60 days – 10% for the first month, and 1% for each additional month or cut (maximum – 30%, minimum – \$50);

Failed filling or late filing more than 60 days – 10% for the first month, and 1% for each additional month or cut, (maximum – 30%);

\$100, or 100% of the amount must be paid as tax.

Discount

As long as the sales tax is paid on time, a discount – of 5% (maximum – \$200 per quarter, or longer period).



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