

STATE OF NEW YORK
COMMISSIONER OF TAXATION AND FINANCE

ADVISORY OPINION

The Department of Taxation and Finance received a Petition for Advisory Opinion from [REDACTED] (“Petitioner”). Petitioner asks whether artwork installation services are subject to New York State and/or local sales tax. We conclude that such services are subject to sales tax as the installation of tangible personal property.

Facts

Petitioner provides a service of installing client-owned artwork (pictures, mirrors, tapestries, or similar items). Petitioner does not sell the artwork; instead, it locates client owned artwork and hangs it on the client’s wall. Petitioner performs no alterations to the artwork. The installation is not permanent nor intended to be permanent. Furthermore, the artwork can be easily relocated and requires only minor patching of nail holes to repair any damage caused by the installation.

Analysis

Sales tax is imposed on certain enumerated services. *See* Tax Law § 1105. The installation of tangible personal property is a taxable service, whether or not any tangible personal property is transferred in connection with the installation. *See* Tax Law § 1105(c)(3).

Tax regulations define “installing” as the setting up of tangible personal property or putting it in place for use. *See* 20 NYCRR 527.5(a)(2). Tangible personal property includes artistic items such as sketches and paintings. *See* 20 NYCRR 526.8(a)(3).

Petitioner’s installation of the artwork falls under the definition of installing tangible personal property since Petitioner sets up the artwork or puts it in place for use by hanging it on the client’s wall. Therefore, Petitioner’s receipts from the installation of client-owned artwork are subject to sales tax. *See* Tax Law § 1105(c)(3).

DATED: November 3, 2020

/S/

DEBORAH R. LIEBMAN
Deputy Counsel

NOTE: An Advisory Opinion is issued at the request of a person or entity. It is limited to the facts set forth therein and is binding on the Department only with respect to the person or entity to whom it is issued and only if the person or entity fully and accurately describes all relevant facts. An Advisory Opinion is based on the law, regulations, and Department policies in effect as of the date the Opinion is issued or for the specific time period at issue in the Opinion. The information provided in this document does not cover every situation and is not intended to replace the law or change its meaning.