



New York State and Local Sales and Use Tax Exemption Certificate for the Purchase of a Racehorse

To be completed by the purchaser and given to the seller. You must complete a separate Form ST-126 for each racehorse purchased.

Note: A horse that is considered to be at least four years old that has never raced in an event on which pari-mutuel wagering is authorized by law is **not eligible** for this exemption.

Name of seller			Name of purchaser		
Address (number and street)			Address (number and street)		
City	State	ZIP code	City	State	ZIP code

Horse's name		Type of horse (thoroughbred or standardbred)	Date of foaling
Sire's name		Dam's name	

Mark an **X** in the appropriate box and complete as applicable.

A. This horse is registered with the:

- Jockey Club (enter registration number) _____
- United States Trotting Association (enter registration number) _____
- National Steeplechase and Hunt Association (enter registration number) _____

or

B. This horse is no more than 24 months old and is eligible to be registered with one of the associations listed under **A.**

Certification: I certify that I am purchasing the horse described above with the intent of entering this horse in a racing event in which pari-mutuel wagering is authorized by law. I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements and issue this exemption certificate with the knowledge that this document provides evidence that state and local sales or use taxes do not apply to a transaction or transactions for which I tendered this document and that willfully issuing this document with the intent to evade any such tax may constitute a felony or other crime under New York State Law, punishable by a substantial fine and a possible jail sentence. I understand that the vendor is a trustee for, and on account of, New York State and any locality with respect to any state or local sales or use tax the vendor is required to collect from me; that the vendor is required to collect such taxes from me unless I properly furnish this certificate to the vendor; and that the vendor must retain this certificate and make it available to the Tax Department upon request. I also understand that the Tax Department is authorized to investigate the validity of tax exemptions claimed and the accuracy of any information entered on this document.

Type or print name and title of owner, partner, or authorized person of purchaser	
Signature of owner, partner, or authorized person of purchaser	Date prepared

Substantial penalties will result from misuse of this certificate.

Instructions

Who should use this form

If you are purchasing a racehorse, the purchase may be exempt from sales and use taxes provided the racehorse is either a thoroughbred or standardbred and otherwise meets the qualifications on the front of this form.

The exemption is provided for in Tax Law section 1115(a)(29). For more information, see TSB-M-95(6)S, *Sales Tax Exemption for Purchases of Racehorses*.

To the purchaser

Complete this certificate and give it to the seller. A separate Form ST-126 is required for each racehorse purchased. The racehorse being purchased must meet the requirements on the front of this form and must be purchased with the intent that it will be entered in an event on which pari-mutuel wagering is authorized by law.

A horse that is considered to be at least four years old that has never raced in an event on which pari-mutuel wagering is authorized by law is **not eligible** for this exemption.

To the seller

This transaction is exempt from sales tax as long as the purchaser gives you a properly completed exemption certificate no later than 90 days after the transfer of the horse. After this 90-day period, both you and the purchaser assume the burden of proving the sale was exempt.

If you accept an improperly completed exemption certificate, you become personally liable for any sales and use tax (plus any penalty and interest charges) that may be due, unless the certificate is corrected within a reasonable period of time.

Keep this exemption certificate for at least three years after the due date or filing date (whichever is later) of the last tax return that it relates to. For each exempt sale that you make to a particular customer, you must be able to produce the corresponding exemption certificate. Also, you must retain documentary proof of the horse's age for three years.

Misuse of this certificate

Misuse of this exemption certificate with the intent to avoid tax may subject you to serious civil and criminal sanctions in addition to the payment of any tax and interest due. These include:

- A penalty equal to 100% of the tax due;
- A \$50 penalty for each fraudulent exemption certificate issued;
- Criminal felony prosecution, punishable by a substantial fine and a possible jail sentence; and
- Revocation of your *Certificate of Authority*, if you are required to be registered as a vendor. See TSB-M-09(17)S, *Amendments That Encourage Compliance with the Tax Law and Enhance the Tax Department's Enforcement Ability*, for more information.

Need help?



Visit our Web site at **www.tax.ny.gov**

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



Telephone assistance

Sales Tax Information Center: (518) 485-2889

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.