

RULE REVIEW

DEPARTMENT OF TAXATION AND FINANCE

Regulations Continued without Modification

Pursuant to section 207.4 of the State Administrative Procedure Act, the Department of Taxation and Finance hereby gives notice of the following:

As part of the Department's 2003 review (pursuant to Chapter 262 of the Laws of 1996) of regulations that were adopted during 1998, it has reviewed 20 NYCRR Part 527.11 of the Sales and Use Tax Regulations (Exemption from Tax on Dues for Social and Athletic Clubs). The 1998 amendments to Part 527.11 of the Sales and Use Tax Regulations clarified that fishing and hunting clubs are not social or athletic clubs by removing references to them in the example in the regulations about athletic clubs whose dues and initiation fees are subject to sales tax. These amendments also clarified that not all boating clubs are social or athletic clubs. Those boating clubs which are not social or athletic clubs are not required to collect sales tax on their dues and initiation fees. The statutory authority for this rule is contained in sections 171, subd. First; 1142, subd. 1; and 1250 (not subdivided) of the Tax Law.

This regulation is being continued without modification because the amendments provided a benefit by eliminating some clubs from the requirement of registering as sales tax vendors and subsequently collecting and remitting sales tax. There have been no statutory amendments or changes in policy to warrant any modification of the regulation.

A summary of the regulations was published in the Regulatory Agenda section of the January 8, 2003, issue of the *State Register* and republished in the Rule Review section of the January 22, 2003, issue.

The 2003 Regulatory Agenda was also posted to the Department's Website (http://www.tax.state.ny.us/pubs_and_bulls/Regulations/Regulatory_Agenda.htm) on January 8, 2003. The Department did not receive any public comments regarding this regulation.

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