



# This Week in State Tax (TWIST)

June 9, 2025



## New York: Department Issues Several Sales Tax Rulings

The New York Department of Taxation and Finance recently released several Advisory Opinions addressing various sales tax situations. Although they do not drastically change the way sales tax is applied, they do provide clarity on a variety of topics.

- [Advisory Opinion TSB-A-24\(42\)S](#): The Department addressed whether renewal fees charged distributors by a multi-level marketing company to retain their active status as distributors as well as fees for access to the company's mobile application, a dashboard and a personal website were taxable. The Department concluded the renewal fees are not subject to sales tax, while charges for access to its mobile application software and a dashboard are taxable as sales of prewritten computer software. There was insufficient information to determine if access to a personal website was taxable when sold for an individual price, but it would be taxable if sold as a bundle with the other applications as the company often did.
- [Advisory Opinion TSB-A-24\(43\)S](#): A financial services firm's investment management products are deemed taxable as sales of prewritten software, with annual fees subject to sales tax due to the standardized nature of the software and its functionality. Since these offerings were not available for individual purchase, they were analyzed as a single product. In the Department's view, while the products differed from one another, they were at their core access to software that was used to analyze data to make business decisions, and the activities of any employees were aimed primarily at ensuring the applications operated properly. A previous TSB (TSB-A-13(12)S) that determined similar products were not taxable does not apply here, as the facts of that instance included several more employee-driven services, making the two sets of service offerings non-comparable.
- [Advisory Opinion TSB-A-24\(44\)S](#): An event planning service inquired regarding its ability to purchase items for resale in offering its services to customers. The Department ruled that the provider can purchase tangible personal property and services for resale when sold to a customer in the same form as purchased if there is no food or catering involved. When food and catering services are provided, the event planner must pay tax on tangible property and services it purchases to provide the service, but it can purchase taxable prepared food and drink for resale and collect tax when provided to the customer. When the planner arranges for catering services as a customer's agent, the planner must pay sales tax to its vendors as the customer's agent.
- [Advisory Opinion TSB-A-24\(45\)S](#): An online retailer using a third-party fulfillment service in New York does

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not qualify as a vendor required to collect sales tax, provided the fulfillment service company and the retailer are not affiliated persons, the retailer has no presence in New York other than maintaining inventory at the fulfillment service, and the activities of the fulfillment service are limited to those provided by state law. Beginning in 2019, however, the fulfillment service is likely to be considered a marketplace provider responsible for sales tax collection.

For questions regarding these opinions and their potential implication, please contact [Judy Cheng](#) and [Jenn White](#).

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