



Application for Qualified Empire Zone Enterprise (QEZE) Sales Tax Certification

For businesses certified by Empire State Development before August 1, 2002

Please print or type

Legal name of business			
DBA (if different from above)			
Address of empire zone location (if you have more than one zone location, attach a list of all locations)			
Number and street	City	State	ZIP code
Mailing address, if different from address above			
c/o name	Number and street	City	State ZIP code
Federal employer identification number (EIN)		Telephone number	
		()

You must include a copy of the *Certificate of Eligibility* issued to your business enterprise by Empire State Development (ESD). If you are certified in multiple zones, you must attach copies of **all** *Certificates of Eligibility* issued to you, and you must complete this application based on the effective date of the first (earliest) *Certificate of Eligibility* issued. Your application **will not be processed** if you do not include a copy of your *Certificate of Eligibility*.

Mail your application and a copy of your *Certificate of Eligibility* to: **NYS TAX DEPARTMENT
SALES TAX REGISTRATION UNIT
W A HARRIMAN CAMPUS
ALBANY NY 12227**

You must keep a completed copy of this application for your records. You will need to use this as a reference when completing the annual employment test if you become certified as a QEZE.

General information

If you are a business enterprise that has been certified to receive benefits under Article 18-B of the General Municipal Law, and you meet the required employment test, you are eligible to make certain purchases for your business enterprise exempt from New York State and, possibly, local sales and use taxes. To be eligible to make tax-exempt purchases, you must apply for, and receive, Form DTF-81, *Qualified Empire Zone Enterprise (QEZE) Sales Tax Certification*, issued by the New York State Tax Department. The sales and use tax exemptions are available for 120 consecutive months, beginning on the **Effective date** on Form DTF-81, provided that the QEZE annually meets the employment test described in this application.

Once you have received Form DTF-81 from the Tax Department, you may use Form ST-121.6, *Qualified Empire Zone Enterprise (QEZE) Exempt Purchase Certificate*, to make exempt purchases as of the **Effective date** on Form DTF-81. Further instructions and limitations are set forth on Form ST-121.6.

When completing this form, mark an **X** in the appropriate box for each *Yes* or *No* question. For the lines and questions that request dates, please enter them in *mm/dd/yy* format using the preprinted slashes, unless otherwise indicated.

<i>Department use only</i>	
Exemption number	Eligibility date

Step 1

Enter the **later** of July 1, 2000, or the **effective date** (not the issue date) from your *Certificate of Eligibility*. This is your *test date*. If you are certified in multiple empire zones, you must complete this application based on the effective date of the first (earliest) *Certificate of Eligibility* issued. / /

Step 2

Enter the period on which your business's *tax year* is based. / / to / /
mm dd mm dd

Tax year means the tax year of your business enterprise under Article 9-A (Franchise Tax on Business Corporations), Article 22 (Personal Income Tax), Article 32 (Franchise Tax on Banking Corporations), or Article 33 (Franchise Tax on Insurance Corporations) of the Tax Law.

Step 3

- (a) Enter the dates of the last tax year ending before the *test date* determined in Step 1. This is your *test year*. / / to / /
- (b) Enter the dates of the five tax years immediately preceding the test year listed in 3(a), above. This is your *base period*. If you have fewer than five years preceding the test year, your base period is the smaller set of years. / / to / /
/ / to / /
/ / to / /
If you do not have a base period, or if you have no employment numbers in your base period, please continue with Step 4. If you had employees during any part of your base period, skip Step 4 and continue with Step 5. / / to / /
/ / to / /

Step 4

Business enterprises that have no base period or no employment numbers in the base period **must** meet the new business test below to qualify for QEZE sales tax exemptions. If this applies to you, continue below. If not, skip to Step 5.

- (a) Is your business entity substantially similar in ownership and operation to a business entity taxable, or previously taxable, under Tax Law, Article 9, section 183, 184, 185, or 186; Article 9-A, 32, or 33; Article 23 (or that would have been subject to Article 23 as this article was in effect January 1, 1980); or a business entity for which the income or losses were included for your taxes under Article 22? Yes No
- If *No*, mark an **X** in the *New Business* box at the top of Step 5 and proceed to Step 6.
 - If *Yes*, you must provide substantiation that your business enterprise was formed for a valid business purpose and not solely to gain empire zone benefits. You must attach a notarized statement describing in detail how your business meets the valid business purpose test, then mark an **X** in the *New Business* box at the top of Step 5 and proceed to Step 6. The term *valid business purpose* means one or more business purposes, other than the avoidance or reduction of taxation, which alone or in the combination constitute the primary motivation for some business activity or transaction, which activity or transaction changes in a meaningful way, apart from tax effects, the economic position of the taxpayer. The economic position of the taxpayer includes an increase in the market share of the taxpayer or the entry by the taxpayer into new business markets.

Step 5 – Employment test

New business:

If you qualify as a new business in Step 4 above, mark an **X** in the box to the right and skip to Step 6.....
 If you are not a new business, continue with the employment test below.

Employment test tables:

For the employment test tables in Parts A and B, full-time employees are individuals, not including general executive officers, employed for at least half of the tax year in a job of at least 35 hours per week. This includes two or more jobs that together constitute the equivalent of a job of at least 35 hours per week. A seasonal business (a business that regularly operates for less than an entire tax year, such as a ski resort) that employs individuals full-time for at least three months of continuous duration may include these individuals in the employment number if they are working in a job of at least 35 hours per week. **Note:** When completing the employment test tables, employment numbers for tax years beginning on or after January 1, 2002, cannot include individuals employed within the immediately preceding 60 months by a related person, as defined in Internal Revenue Code (IRC) section 465(b)(3)(C).

Part A

Determine the average number of full-time employees located in empire zones for both your most recently completed tax year and your base period, as indicated below. To qualify for QEZE sales tax exemptions, the average number of empire zone employees for your most recently completed tax year must equal or exceed the average number of empire zone employees for your base period.

Employees within empire zones

	Column A Year	Column B March 31	Column C June 30	Column D Sept 30	Column E Dec 31	Column F Total (B + C + D + E)	Column G Average number of employees (divide total in Col. F by the number of entries in B through E)
1. Enter in Column A the dates of your business's most recently completed tax year . Enter in Columns B through E, for the dates shown, the total number of full-time employees within empire zones. Note: This might not be the tax year listed in Step 3(a).							1.
Enter in Column A, lines 2 through 6, the tax years in the base period from Step 3(b). (Base period year 1 is the oldest year, base period year 5 is the most recent.) Enter in Columns B through E, lines 2 through 6, for the dates shown, the total number of full-time employees within empire zones.	Column A Year	Column B March 31	Column C June 30	Column D Sept 30	Column E Dec 31	Column F Total (B + C + D + E)	
2. Base period year 1:						2.	
3. Base period year 2:						3.	
4. Base period year 3:						4.	
5. Base period year 4:						5.	
6. Base period year 5:						6.	
7. Total number of full-time employees within empire zones during the base period (add boxes 2 through 6).						7.	
8. Average number of full-time employees within empire zones during the base period (divide the total in box 7 by the number of entries in Columns B through E, lines 2 through 6).							8.

Is the employment number in box 1 equal to or greater than the employment number in box 8? Yes No

- If **No, stop**; you are not eligible at this time for QEZE sales tax exemptions. Do not continue to Step 6 and do not file this application. When your business's current tax year ends, you may complete this application again to determine your eligibility for QEZE sales tax exemptions.
- If **Yes**, proceed below.

Part B

Determine the average number of full-time employees located within New York State, but outside empire zones. If you do not have any employees within New York State outside empire zones, enter "0" in boxes 9 and 16. To qualify for QEZE sale tax exemptions, the average number of employees located in New York State outside empire zones for your most recently completed tax year must equal or exceed the average number of employees located in New York State outside empire zones for your base period.

Employees in New York State, but outside empire zones

	Column A Year	Column B March 31	Column C June 30	Column D Sept 30	Column E Dec 31	Column F Total (B + C + D + E)	Column G Average number of employees (divide total in Col. F by the number of entries in B through E)
9. Enter in Column A the dates of your business's most recently completed tax year . Enter in Columns B through E, for the dates shown, the total number of full-time employees in New York State but outside empire zones. Note: This might not be the tax year listed in Step 3(a).							9.
10. Enter in Column A, lines 10 through 14, the tax years in the base period from Step 3(b). (Base period <i>year 1</i> is the oldest year, base period <i>year 5</i> is the most recent.) Enter in Columns B through E, lines 10 through 14, for the dates shown, the total number of full-time employees in New York State outside empire zones.							
10. Base period year 1:						10.	
11. Base period year 2:						11.	
12. Base period year 3:						12.	
13. Base period year 4:						13.	
14. Base period year 5:						14.	
15. Total number of full-time employees in New York State outside empire zones during the base period (add boxes 10 through 14).....						15.	
16. Average number of full-time employees in New York State outside empire zones during the base period (divide the total in box 15 by the number of entries in Columns B through E, lines 10 through 14).....							16.

Is the employment number in box 9 equal to or greater than the employment number in box 16? Yes No

- If **No, stop**; you are not eligible at this time for QEZE sales tax exemptions. Do not file this application. When your business's current taxable year ends, you may complete this application again to determine your eligibility for QEZE sales tax exemptions.
- If **Yes**, you meet the employment test requirements and you can file this application. If the Tax Department approves your application, you will receive Form DTF-81, *Qualified Empire Zone Enterprise (QEZE) Sales Tax Certification*. You can begin to make tax-exempt purchases as of the **Effective date** printed on your Form DTF-81.

Step 6

I certify that the information in this application is true and correct. Willfully filing a false application is a misdemeanor punishable under the Tax Law.

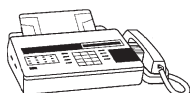
Print name	Title
Signature	Date

This application will be returned if it is not signed or if any other information is missing.

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(for information, forms, and publications)



Fax-on-demand forms: Forms are available 24 hours a day, 7 days a week. 1 800 748-3676



Telephone assistance is available from 8:00 A.M. to 5:00 P.M. (eastern time), Monday through Friday.
To order forms and publications: 1 800 462-8100
Sales Tax Information Center: 1 800 698-2909
From areas outside the U.S. and outside Canada: (518) 485-6800



Hotline for the hearing and speech impaired:
If you have access to a telecommunications device for the deaf (TDD), contact us at 1 800 634-2110. If you do not own a TDD, 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, please call 1 800 972-1233.