



1111 Marcus Ave. Suite MZ214, Lake Success, NY 11042
Phone: 516-918-4600 • Fax: 516-918-4540
www.nydata.com

Municipal and Tax Reporting Division • Real-Time Access Division • AIS Support

Implementing Recent New York State Sales Tax Changes

To: All AIS Clients
From: Len Licari
Regional Vice President, Northeast Division
Date: September 10, 2010
Re: Implementing NYS Sales Tax Changes

As you may already know, effective September 1, 2010, the NYS Department of Taxation and Finance ruled that state sales tax must be collected on our information products and services. If your offices are located in New York State and if any of your transactions include title insurance, then your search requests will fall into one of two categories; (1) subject to sales tax; or, (2) subject to the reseller's exclusion.

Clients That Sell Insured and Uninsured Products

In order to comply with the law, we must request that you provide us a reseller's certificate (you only need to provide the reseller's certificate once) and inform us in writing with each order placed whether your title transaction is **insured or uninsured**. It is not necessary for you to determine which searches are subject to tax and which are not. We will assume that burden. Without the requested written documentation, our presumption is that the transaction includes title insurance and AIS will be required to collect the applicable sales tax.

Clients That Only Sell Uninsured Products

If you communicate in writing to us that all your work is uninsured, AIS will recognize a reseller's exclusion for all products provided to a specific "Company Code". The written communication, prepared on your company letterhead and signed by a principal of the company, needs to specifically state the following:

To whom it may concern:

Please be advised that this office, known by Company Code: _____, requests all products delivered by AIS to be exempt from all New York State sales tax. In accordance with the recent sales tax law changes, this company declares that none of the search products delivered from your company to our office are subject to sales tax due to the reseller's exclusion and the fact that all our products are uninsured. We accept the burden to assess, collect and remit all appropriate New York State sales or use tax on all products delivered to us by AIS. Therefore, I respectfully request that you accept our resale certificate and recognize that all AIS products delivered to our company from this point forward will be subject to the reseller's exclusion.

If you choose this option, email a copy of your resale certificate along with your letter to josabatino@edatatrace.com. Please do not hesitate to contact me with any questions or concerns at (516) 918-4600. Thank you.