

## Sales and Use Tax Exemption for Purchases by Water Companies

**General Purpose:** A purchaser of tangible personal property or services uses this certificate to establish the item(s) are being purchased by a water company for use in maintaining, operating, managing, or controlling a water source or distributing plant or system employed for the purpose of supplying water to 50 or more consumers.

**Statutory Authority:** Conn. Gen. Stat. §12-412(90).

**Instructions for the Purchaser:** An owner or officer of a water company, as the term is defined in Conn. Gen. Stat. §16-1(10), signs and issues this certificate to advise the seller of tangible personal property or services that sales and use taxes do not apply to charges for the purchase. This certificate may be issued only for purchases exempted under Conn. Gen. Stat. §12-412(90).

If the tangible personal property or services are not used in the manner described in this certificate, a purchaser who claimed the exemption owes a use tax on the total price of the item(s) purchased under the exemption.

Keep a copy of this certificate and records to substantiate the information entered on this certificate for at least six years from the date it is issued.

**Instructions for the Seller:** Acceptance of this certificate, when properly completed, relieves the seller from the burden of proving the sale to, and the storage, use, or other consumption by a water company of tangible personal property or services is not subject to sales and use taxes. This certificate is valid only if taken in good faith from a person who is an owner or

officer of a water company, as the term is defined in Conn. Gen. Stat. §16-1(10). The good faith of the seller will be questioned if the seller knows of facts that suggest the purchaser is not the water company or the tangible personal property or services purchased will not be used in maintaining, operating, managing, or controlling a water source or distributing plant or system employed for the purpose of supplying water to 50 or more consumers.

Keep this certificate and bills or invoices to the purchaser for at least six years from the date on which the items were purchased. The bills, invoices, or records covering all purchases made under this certificate must be appropriately marked "Exempt Under CERT-130" to indicate the purchase was not taxable.

This certificate may be used for a single purchase, in which event the box marked "Certificate for One Purchase Only" must be checked. This certificate may also be used for a continuing line of purchases, in which event the box marked "Blanket Certificate" must be checked. A blanket certificate remains in effect for three years unless the purchaser revokes it in writing before the period expires.

**For More Information:** Call Taxpayer Services at **1-800-382-9463** (in-state) or **860-297-5962** (from anywhere). **TTY, TDD, and Text Telephone users** only may transmit inquiries anytime by calling **860-297-4911**. Preview and download forms and publications from the DRS Web site at **[www.ct.gov/DRS](http://www.ct.gov/DRS)**

Name of Purchaser	Address	CT Tax Registration Number (If None, <i>explain</i> )	Federal Employer ID Number
Name of Seller	Address	CT Tax Registration Number (If None, <i>explain</i> )	Federal Employer ID Number

Check One Box  Blanket Certificate  Certificate for One Purchase Only

Check Appropriate Box(es) and Provide a Written Description of Each Item Purchased

Tangible Personal Property  Services

Description

**Declaration by Purchaser**

The item(s) described on this certificate are tangible personal property or services being purchased by a water company under the exemption provided in Conn. Gen. Stat. §12-412(90).

In accordance with Conn. Gen. Stat. §12-412(90), the purchase of the described item(s) is exempt from sales and use taxes.

I, the authorized representative of the **purchaser** named above, declare under penalty of law that I have examined the information in this certificate and to the best of my knowledge and belief it is true, complete, and correct. I understand the penalty for willfully delivering a false return to DRS is a fine of not more than \$5,000, or imprisonment for not more than five years, or both.

Name of Purchaser

By: \_\_\_\_\_  
Signature Title Date