

Form O-88

Instructions for Form OS-114, Connecticut Sales and Use Tax Return

Use Form OS-114 to report both sales tax and business use tax.
For more information on sales and use taxes, visit portal.ct.gov/DRS/Sales-Tax/Tax-Information.

General Instructions

Filing Instructions

File and pay **Form OS-114, Connecticut Sales and Use Tax Return**, electronically using **myconneCT** at portal.ct.gov/DRS-myconneCT. Annual filers are required to electronically file and pay for periods beginning on or after January 1, 2022.



Businesses **must** complete and file Form OS-114 to report all sales activity in Connecticut, even if no sales were made or no tax is due. Both taxable and nontaxable sales must be reported in accordance with your monthly, quarterly, or annual filing frequency assigned by the Department of Revenue Services (DRS).

Any business that purchases goods or taxable services for use in Connecticut and does **not** pay Connecticut sales tax must pay the Connecticut use tax. The use tax rates are identical to the sales tax rates. See **Informational Publication 2020(9), Q & A on the Connecticut Use Tax for Businesses and Professions**.

The film production tax credit, for those taxpayers that meet the requirements of Conn. Gen. Stat. § 12-217jj, may be claimed against sales and use taxes only by filing through **myconneCT**.

Due Date

Form OS-114 is due on or before the last day of the month following the end of the filing period.

Taxpayer Information

Enter the complete name and address of your business. Verify that the correct Tax Registration Number, Federal Employer Identification Number, and period end date appear on the return.

If this is an amended return, check the *Amended Return* box and provide the correct figures and information for the reporting period. If you made any payment of tax with the original return, enter the tax amount on Line 11 (Do not include any penalty or interest amount).

If you wish to close your Sales and Use Tax account using **myconneCT**, select *Close Accounts* under the *Taxpayer Updates* panel.

Make address, trade name, or ownership changes on the appropriate lines.

File and Pay Electronically

You can make a **free** direct payment at the same time as filing your return through **myconneCT**. Upon completion of the return, you will automatically be taken to the payment page where you may authorize DRS to electronically withdraw payment from your checking or savings account or make a payment by credit card on any date up until the due date. You will receive a confirmation number upon successful filing and may print a copy for your records.

Pay by Direct Payment: You may also log into **myconneCT** and use the *Make a Payment* option to initiate a payment without a return (to pay bills, returns, or make advance payments). Select your payment type and date.

Pay by Credit Card or Debit Card: You may elect to pay your tax liability using a credit card (American Express®, Discover®, MasterCard®, VISA®) or comparable debit card.

To pay by credit card or debit card, log into your account in **myconneCT** and select *Make a Payment*.

A convenience fee will be charged by the credit card service provider. The convenience fee is generally 2.35% of the payment amount, with a minimum charge of \$3.95. You will be informed of the amount of the fee and you may elect to cancel the transaction.

At the end of the transaction you will be given a confirmation number for your records.

File and Pay by Mail (for those authorized only)

Those granted an electronic filing and payment waiver may file paper returns and make payment by check. Complete the return in blue or black ink only. Do not use grayed out fields. Do not use staples. To request a one-year waiver from the electronic filing requirement, visit portal.ct.gov/DRS and complete **Form DRS-EWVR, Electronic Filing and Payment Waiver Request**.

Make your check payable to **Commissioner of Revenue Services**. Write your Connecticut Tax Registration Number on the front of your check to ensure it is applied to your account. Sign your check and paper clip it to the front of your return. DRS may submit your check to your bank electronically. **Do not send cash.**

Mail paper returns and payment to:

Department of Revenue Services
State of Connecticut
PO Box 5030
Hartford CT 06102-5030

DRS will return any improperly completed returns.

If you wish to close your Sales and Use Tax account by paper filing, check the *Final Return* box and enter your last day of business.

If the return is mailed, the return must be postmarked on or before the due date in order to be considered timely.

Rounding

You must round off cents to the nearest whole dollar on your returns and schedules. Round down to the next lowest dollar all amounts that include 1 through 49 cents. Round up to the next highest dollar all amounts that include 50 through 99 cents.

Alternative Method

Use this alternative method to determine amounts for Lines 1, 2, and 3 if you do not account for sales tax separately from gross receipts.

Step 1: Deduct the total of all exempt sales from gross receipts.

Step 2: Column 1 -

- Multiply the receipts subject to the 1% tax rate on computer and data processing services by 99.01%.
- Multiply the receipts subject to the 2.99% tax rate on vessels, motors for vessels, trailers used for transporting vessels, and dyed diesel marine fuel by 97.10%.
- Multiply the receipts subject to the 4.5% tax rate on motor vehicle sales to an active duty nonresident member of the armed forces by 95.69%.
- Multiply the remaining receipts subject to the 6.35% tax rate by 94.03%.

Column 2 - Multiply the remaining receipts subject to the total effective tax rate of 7.35% by 93.15%.

Column 3 - Multiply the remaining receipts subject to the 7.75% tax rate by 92.81%.

Column 4 - Multiply the remaining receipts subject to the 9.35% tax rate by 91.45%.

Step 3: Add back the amount subtracted in Step 1.

Step 4: Enter total on applicable gross receipts line (Line 1, 2, or 3) and in the applicable column (Column 1, 2, 3, or 4).

Successor Liability

The purchaser of a business is liable for the taxes of the predecessor to the extent of the purchase price unless the purchaser obtains **Form AU-712, Tax Clearance Certificate for Sales and Use Taxes**, from DRS. See Conn. Gen. Stat. § 12-424(2). New owners must obtain a new Connecticut Tax Registration Number.

Responsible Person Liability

Persons who are responsible for such things as filing returns or paying taxes for the business may be held personally liable for sales and use taxes incurred by their business under Conn. Gen. Stat. § 12-414a.

For the Latest News

Visit the DRS website at portal.ct.gov/DRS.

Sales Tax Filing Instructions

For Business Use Tax Filing Instructions, see Page 5.

Sales Tax Column Instructions

Use *Column 1* to report sales and purchases that are subject to the general sales tax rate of 6.35%. Include sales and purchases subject to the reduced sales tax rates of 1% for computer and data processing services, 2.99% for vessels, motors for vessels, trailers used for transporting a vessel, and dyed diesel marine fuel, and 4.5% on the sale of a motor vehicle to a nonresident member of the United States armed forces serving on active duty in Connecticut.

Use *Column 2* to report 7.35% sales tax rate on meals and beverages sold for immediate consumption that were previously taxed at the general sales tax rate. For more information on meals see **Policy Statement 2002(2), Sales and Use Taxes on Meals**. Do not use grayed-out lines.

Use *Column 3* to report sales and purchases that are subject to the luxury sales tax rate of 7.75%. Do not use grayed-out lines.

- Most motor vehicles exceeding \$50,000;
- Each piece of jewelry exceeding \$5,000;
- Each piece of clothing or pair of footwear exceeding \$1,000;
- A handbag, luggage, umbrella, wallet, or watch exceeding \$1,000.

Use *Column 4* to report rentals of passenger motor vehicles for 30 consecutive days or less that are subject to the tax rate of 9.35%. Do not use grayed-out lines.

Tax Rates

1. A 1% tax rate for computer and data processing services.
2. A 2.99% tax rate for vessels, motors for vessels, trailers used for transporting a vessel, and dyed diesel marine fuel.
3. A 4.5% tax rate on the sale of a motor vehicle to a nonresident member of the United States armed forces serving on active duty in Connecticut.
4. The general sales tax rate is 6.35%.
5. A 7.35% sales tax rate on meals and beverages sold for immediate consumption that were previously taxed at the general sales tax rate. For more information on meals see **Policy Statement 2002(2), Sales and Use Taxes on Meals**.
6. A 7.75% *luxury tax* is imposed on certain motor vehicles, jewelry, clothing or footwear, and accessories.
7. The sales tax rate on the rental of a passenger motor vehicle for 30 consecutive days or less is 9.35%.

Sales Tax Line Instructions

Fill in all relevant lines, including **Totals**. Missing lines may delay the processing of your return.

Line 1 - Enter **total gross receipts** from the sale of tangible personal property.

- a. Include receipts from:
- Sales of digital goods;
 - Sales of cigarettes and motor vehicle fuel;
 - Tax-exempt sales;
 - Total credit sales;
 - Federal and state excise taxes and state petroleum products gross earnings tax;

- Sales of heating fuel, electricity, and gas;
 - Shipping and delivery charges;
 - Articles of clothing or footwear; **and**
 - Nonprescription drugs and medicines.
- b. Exclude from Line 1 receipts from:
- Installment payments from conditional or credit sales previously reported;
 - Sales and use taxes;
 - Sales of real estate; **and**
 - Commissions received, except sales agents services.

Line 2 - Enter **total gross receipts** from the leasing and renting of tangible personal property. Include receipts from:

- Royalties or periodic payments received;
- Maintenance charges;
- Cancellation charges;
- Installation charges; **and**
- Shipping and delivery charges.

Line 3 - Enter **total gross receipts** derived from the rendering of all services including but not limited to:

- a. Computer, data processing, and website services;
- b. Credit information and reporting services;
- c. Employment agencies and agencies providing personnel services;
- d. Private investigation, protection, patrol work, watchman, and armored car services excluding services of off-duty police officers and off-duty firefighters;
- e. Painting and lettering services;
- f. Photographic studio services;
- g. Telephone answering services;
- h. Stenographic services;
- i. Services to existing industrial, commercial, or income-producing real property;
- j. Business analysis, management, management consulting, and public relations services;
- k. Piped-in music services;
- l. Flight instruction and chartering services by a certified air carrier;
- m. Motor vehicle repair services;
- n. Motor vehicle parking, including valet parking at airports;
- o. Radio or television repair services;
- p. Furniture reupholstering and repair services;
- q. Repair services to electrical or electronic devices;
- r. Lobbying or consulting services;
- s. Sales agent services for selling tangible personal property, excluding auctioneer services;
- t. Locksmith services;
- u. Advertising or public relations services not related to the development of media advertising or cooperative direct mail advertising;
- v. Landscaping and horticulture services;

- w. Window cleaning services;
- x. Maintenance services;
- y. Janitorial services;
- z. Exterminating services;
- aa. Swimming pool cleaning and maintenance services;
- bb. Renovation and repair services to other than industrial, commercial, or income-producing real property;
- cc. Miscellaneous personal services (SIC Industry Group 729 or NAICS 812191, 812199, and 812990) excluding services by licensed massage therapists or licensed electrologists;
- dd. Repair or maintenance services to tangible personal property including any contract of warranty or service related to the item;
- ee. Business analysis, management, or management consulting services rendered by a general partner or an affiliate to a limited partnership;
- ff. Health and athletic club services, including yoga instruction provided at a yoga studio;
- gg. Telecommunications services;
- hh. Community antenna television services;
- ii. Noncommercial vessel storage or mooring charges (exclusive of the period from October 1 through May 31);
- jj. Prepaid telephone calling service;
- kk. Furnishing of space for storage;
- ll. Intrastate transportation services provided by livery services, including limousines, community cars or vans, with a driver;
- mm. Manicure and pedicure services;
- nn. Motor vehicle storage services;
- oo. Motor vehicle towing and road services;
- pp. Packing and crating services;
- qq. Pet grooming, boarding and obedience services;
- rr. Services in connection with certain cosmetic medical procedures;
- ss. Services to industrial, commercial or income producing real property rendered in the evaluation, prevention, treatment, containment, or removal of hazardous waste or other contaminants of air, water or soil;
- tt. Spa services;
- uu. Car wash services;
- vv. Dry cleaning services and laundry services, excluding coin operated services; **and**
- ww. Interior design services.

Line 4 - Enter **gross purchases of tangible personal property** subject to use tax.

Line 5 - Enter **gross lease and rental** payments subject to use tax.

Line 6 - Enter **gross payments for services** subject to use tax.

Line 7 - Enter **total** of Lines 1 through 6.

Line 8 -

- Columns 1, 2, and 3, enter deduction total from the Total Deductions line on Page 4 of the return.
- Column 4, enter the total of rentals of passenger motor vehicles to exempt entities.

Line 9 - **Subtract** Line 8 from Line 7 and enter the difference. If zero or less, enter "0."

Line 10a - **Multiply** the amount on Line 9 by the applicable column tax rate.

Line 10 - Enter **total** of Line 10a, Columns 1, 2, 3, and 4.

Line 11 - Credits for any advance payment of tax for this period. Do not include penalty or interest amounts paid, or amounts already refunded, as this may result in a balance due.

Line 12 - **Subtract** Line 11 from Line 10, and enter the difference.

Line 13 - **Interest:** If this is a late or amended return, interest is computed at the rate of 1% per month or fraction of a month from the due date until the date of payment. Interest is based on the amount that should have been remitted on time.

Penalty for nonpayment or late payment of tax: 15% of the tax due or \$50, whichever is greater.

Penalty for failure to pay electronically: The following graduated penalty amounts will apply if you fail to remit payments electronically:

- First offense – 10% penalty on the amount of the required tax payment, but not more than \$2,500;
- Second offense – 10% penalty, but not more than \$10,000; **and**
- Third and subsequent offenses – 10% penalty.

Line 14 - **Add** Line 12 and Line 13 and enter the total.

Sales Tax Deductions

All nontaxable sales required to be reported must be itemized on the appropriate deduction lines on Form OS-114. Total deductions must be reported on Line 8, *Deductions*.

DRS may require certificates from purchasers to support exempt sales including services, leases, and rentals. This section may **only** be used to report exempt sales by your business. Personal or business expenses must **not** be included.

Lines 15 through 17 - **Sales for resale or sales through a registered marketplace facilitator:** Enter total sales made during the period for which resale certificates have been accepted or for which a registered marketplace facilitator collected and remitted sales tax for you (see **OCG-8**, *Office of the Commissioner Guidance Regarding Marketplace Facilitators and Marketplace Sellers*).

Line 18 - **All newspapers** and subscription sales of magazines and puzzle magazines.

Line 19 - **Commercial trucks** (including tractors and semitrailers) with gross vehicle weight rating over 26,000 pounds or operated actively and exclusively for carriage of interstate freight under a certificate or permit issued by the Interstate Commerce Commission or its successor agency.

Line 21 - **Food products** for human consumption, vegetable seeds, and food sold through vending machines **and sales of certain nonfood products** purchased with food stamps. Food does not include alcoholic beverages, soda, candy, gum, tobacco products, or food prepared for immediate consumption at or near the seller's location.

Line 23 - **Fuel for motor vehicles:** Enter the sales of gasoline and diesel fuels for use in any motor vehicle required to be licensed to operate in this state. Include fuel purchased for any other use on which the Connecticut motor vehicle fuels tax has been paid. Do not include fuel purchased for use by the business filing this return.

Line 24 - **Sales of electricity, gas, and heating fuel** for use in any residential dwelling.

Line 25 - **Electricity to businesses** of \$150 or less per month.

Line 26 - **Sales of electricity, gas, and heating fuel to agricultural producers and manufacturers** when 75% or more of the heating fuel, gas or electricity is consumed in a building or location used for agricultural production or manufacturing.

Line 27 - **Aviation fuel** used exclusively for aviation purposes.

Line 29 - **Tangible personal property for exclusive use in agricultural production** if a copy of the *Farmer Tax Exemption Permit*, was provided.

Line 30 - **Machinery and its replacement, repair, component and enhancement parts, materials, tools, and fuel for manufacturing production.** Sales of machinery and repair, replacement, component, and enhancement parts, and parts to build machinery used directly in the manufacturing process. Sales of materials, tools, and fuel used directly in an industrial plant in the manufacturing process or in furnishing gas, water, steam, or electricity when delivered to consumers through mains, lines or pipes. See *Line 71*.

Line 31 - Machinery, materials, tools, equipment, and supplies used predominantly in the **production of printed material** by a commercial printer or in a related printing production process including publishing.

Line 32 - Sales for commercial fishing: Sales of vessels, machinery, or equipment for exclusive use on commercial fishing vessels. Sales of materials, tools, and fuel used directly in commercial fishing.

Line 33 and Line 34 - Sales in interstate and foreign commerce where delivery was provided by seller to a point outside of Connecticut, irrespective of transportation facilities involved.

Line 35 - Out-of-state sales of services when the benefit of the services is exclusively realized outside this state.

Line 36 - Motor vehicles purchased by nonresidents: Sales of motor vehicles are exempt from tax when the purchaser is not a resident of this state and does not maintain a permanent place of abode in this state, provided the motor vehicle is not presented for registration with the Department of Motor Vehicles in this state.

Line 37 - Medicines, syringes, and needles by prescription; and diabetic equipment. Also include test strips, tablets, lancets, and glucose monitoring equipment for diabetes, and any replacement, repair, and enhancement parts for the equipment.

Line 38 - Nonprescription drugs and medicines: Includes items used in or on the body. Excluded from the exemption are cosmetics, dentifrices, shaving and hair care products, mouthwash, soaps, and deodorants.

Lines 39 through 41 - Sales to exempt charitable or religious organizations under IRC § 501(c)(3) or cemetery organizations exempt under IRC § 501(c)(13) if the organization furnishes a valid exemption certificate.

Lines 42 through 44 - Sales to governmental agencies: Enter sales to the United States, State of Connecticut, or any political subdivision or agency of these governments including public schools, police, fire departments, etc.

Line 45 - Certified items for air or water pollution abatement: Enter the sales of tangible personal property or supplies to be incorporated into or used and consumed in facilities whose primary purpose is the reduction, control or elimination of air or water pollution, certified as approved for this purpose by the Commissioner of the Department of Energy and Environmental Protection.

Line 47 - Nontaxable labor and service charges included in Line 3 but not deductible on another line of this return. **Example:** Labor on new construction.

Line 48 - Sales of services between wholly-owned business entities: The exemption applies to services between entities, including entities other than corporations, where either entity owns a controlling interest in the other as described in Conn. Gen. Stat. § 12-412(62). Business entities include corporations, trusts, estates, partnerships, limited partnerships, limited liability partnerships, limited liability companies, sole proprietorships, nonstock corporations, and federally recognized Indian tribes. The exemption also applies to telecommunications services and community antenna television services. A business entity cannot purchase services on resale when the services are purchased for resale to another affiliate.

Line 50 - Trade-ins: Enter total trade-in allowance on any like-kind item of tangible personal property. All trade-ins, other than motor vehicles, farm tractors, snowmobiles, vessels, aircraft, and certain construction equipment, must be intended for resale.

Line 52 - Returned goods: Enter goods returned for credit within 90 days of date of sale in the applicable column.

Line 56 - Oxygen, blood, artificial devices, crutches, and wheelchairs: Enter sales of oxygen, blood or blood plasma, prostheses, or the sales or repair services of crutches, walkers,

wheelchairs, inclined stairway chairlifts, etc., vital life support equipment, and replacement, repair, and enhancement parts for this equipment.

Line 63 - Funeral expenses: Enter sales of caskets used for burials and cremation and the first \$2,500 of tangible personal property for each funeral.

Line 69 - Certain aircraft and repair or replacement parts and repair services exclusively for use in aircraft or in significant overhauling or rebuilding of aircraft on a factory basis; see Conn. Gen. Stat. § 12-412(20), (76), (77), or (99).

Line 71 - Materials, tools, fuels, and machinery and equipment to be used primarily in manufacturing, as described in the Manufacturing Recovery Act of 1992. Multiply applicable gross receipts by 50%.

Line 72 - Machinery, equipment, tools, supplies, and fuel used directly in the **biotechnology industry**.

Line 73 - Fabrication labor and repair and maintenance services for vessels: Vessel means every description of watercraft, other than seaplane.

Line 74 - Computer and data processing services; including services in the creation, development, hosting and maintenance of a website taxable at 1%: Multiply the applicable gross receipts by 84.25%. Internet access services are not taxable.

Line 75 - Renovation and repair services to residential property: Paving, painting or staining, wallpapering, roofing, siding, and exterior sheet metal work services to other than industrial, commercial, or income-producing real property.

Line 77 - Sales to direct payment permit holders: Direct payment permits allow taxpayers to pay use tax on certain purchases directly to DRS rather than paying sales or use taxes to vendors.

Line 78 - College textbooks to full-time or part-time students enrolled at institutions of higher education and private occupational schools with the presentation of valid student identification cards. The exemption applies only to new and used books and related workbooks required or recommended for courses.

Line 79 - Sales tax holiday

Clothing and footwear under \$100: Enter total receipts from sales of clothing or footwear under \$100 that are nontaxable for one week per year. The exclusion applies from the third Sunday in August through the following Saturday.

The reporting requirements for the April 2022 Sales Tax-Free Week are similar to those for the annual sales tax holiday in August. Enter total receipts from sales of clothing or footwear under \$100 that are nontaxable during the April 2022 Sales Tax-Free Week. (See **Taxpayer Services Special Bulletin 2022-4, Special Sales Tax-Free Week From April 10, 2022, Through April 16, 2022.**)

Line 82 - Enter motor vehicle sales to an active duty nonresident member of the armed forces taxable at 4.5%. Multiply the applicable gross receipts by 29.13% or 41.93% for sales of luxury vehicles (See *Tax Rates*, on Page 2).

Line 83 - Applies only for licensed cigarette dealers. Enter the total purchases of cigarettes taxed by distributors.

Line 84 - Vessels, motors for vessels or trailers used for transporting vessels taxable at 2.99%. Sales of dyed diesel fuel, as defined in subsection (d) of section 12-487, sold by a marine fuel dock exclusively for marine purposes taxable at 2.99%: Multiply the applicable gross receipts by 52.91%.

Lines A, B, and C

Other adjustments: Explain fully. On the applicable line, enter and describe any other deductions for exempt sales not enumerated. For example, include on these lines: Sales to senior centers or sales made by eleemosynary nonprofit organizations of not more than \$20. Also include on Line A, sales of menstrual products and disposable or reusable diapers. For a complete list of sales and use tax exemptions, see Conn. Gen. Stat. § 12-412.

Business Use Tax Filing Instructions

Any business that purchases goods or taxable services for use in Connecticut and does **not** pay Connecticut sales tax must pay the Connecticut use tax. The use tax rates are identical to the sales tax rates. See **Informational Publication 2020(9), Q & A on the Connecticut Use Tax for Businesses and Professions**.

You must obtain a *Sales and Use Tax Permit* from DRS if you intend to engage in any of the following activities in Connecticut:

- Sale, rental, or lease of goods;
- Sale of a taxable service; **or**
- Operating a hotel, motel, lodging house or bed and breakfast establishment.

Business Use Tax Column Instructions

Use *Column 1* to report purchases that are subject to the general sales tax rate of 6.35%. Include purchases subject to the reduced sales tax rates of 1% for computer and data processing services and 2.99% for vessels, motors for vessels, and trailers used for transporting a vessel.

Use *Column 3* to report purchases that are subject to the luxury sales tax rate of 7.75%. Do not use grayed-out lines.

- Most motor vehicles exceeding \$50,000;
- Each piece of jewelry exceeding \$5,000;
- Each piece of clothing or pair of footwear exceeding \$1,000;
- A handbag, luggage, umbrella, wallet, or watch exceeding \$1,000.

Use *Column 4* to report rentals of passenger motor vehicles for 30 consecutive days or less that are subject to the tax rate of 9.35%. Do not use grayed-out lines.

Business Use Tax Line Instructions

Fill in all relevant lines, including Totals. Missing lines may delay the processing of your return.

Line 4 - Enter **gross purchases of tangible personal property** subject to use tax.

Line 5 - Enter **gross lease and rental** payments subject to use tax.

Line 6 - Enter **gross payments for services** subject to use tax.

Line 7 - Enter **total** of Lines 1 through 6.

Line 8 - Enter **deduction total** from the Total Deductions line for Column 1.

Line 9 - **Subtract** Line 8 from Line 7 and enter the difference. If zero or less, enter "0."

Line 10a - **Multiply** the amount on Line 9 by the applicable column tax rate.

Line 10 - Enter **total** of Line 10a, Columns 1, 2, 3, and 4.

Line 11 - Credits for any advance payment of tax for this period. Do not include penalty or interest amounts paid, or amounts already refunded, as this may result in a balance due.

Line 12 - **Subtract** Line 11 from Line 10, and enter the difference.

Line 13 - **Interest:** If this is a late or amended return, interest is computed at the rate of 1% per month or fraction of a month from the due date until the date of payment. Interest is based on the amount that should have been remitted on time.

Penalty for nonpayment or late payment of tax: 15% of the tax due or \$50, whichever is greater.

Penalty for failure to pay electronically: The following graduated penalty amounts will apply if you fail to remit payments electronically:

- First offense – 10% penalty on the amount of the required tax payment, but not more than \$2,500;
- Second offense – 10% penalty, but not more than \$10,000; **and**
- Third and subsequent offenses – 10% penalty.

Line 14 - **Add** Line 12 and Line 13 and enter the total.

Business Use Tax Deductions

For purchases subject to a reduced rate, use one of the deduction lines explained below. Total deductions must be reported on Line 8, *Deductions*. Personal or business expenses may **not** be included.

Line 71 - Materials, tools, fuels, and machinery and equipment to be used primarily in manufacturing, as described in the Manufacturing Recovery Act of 1992. Multiply applicable purchases by 50%. DRS may require certificates from purchasers to document that purchases, leases or rentals qualify for a partial exemption.

Line 74 - Computer and data processing services; services in the creation, development, hosting and maintenance of a website taxable at 1%: Multiply the applicable purchases by 84.25%. Internet access services are not taxable.

Line 84 - Vessels, motors for vessels or trailers used for transporting vessels taxable at 2.99%: Multiply the applicable purchases by 52.91%.