



STATE OF NEW YORK  
INSURANCE DEPARTMENT  
25 BEAVER STREET  
NEW YORK, NEW YORK 10004

David A. Paterson  
Governor

Eric R. Dinallo  
Superintendent

**Circular Letter No. 15  
June 30, 2009**

**TO: All Insurers and Self-Insurers Authorized to Write Motor Vehicle Liability, Physical Damage and Mechanical Breakdown Insurance in New York State; and the New York Automobile Insurance Plan**

**RE: Third Party Information Sharing for Sales Tax Compliance Purposes**

**STATUTORY REFERENCE: New York Tax Law § 1136(i)**

The purpose of this Circular Letter is to advise insurers of a recent amendment to the New York Tax Law. Recently, the legislature amended Section 1136 to require insurers to file an annual informational return with the New York State Department of Taxation and Finance ("DTF") if the insurer pays consideration or an amount under an insurance contract for the servicing or repair of a motor vehicle on behalf of an insured. The law also requires insurers to advise recipients of such payments, including motor vehicle body or mechanical repair shops as sales tax vendors, of the information reported to the DTF. In addition, the law establishes penalties for noncompliance with the required reporting requirements.

The first informational return required under this law is due on September 20, 2009, and will cover the period of March 1, 2009 through August 31, 2009. DTF is expected to issue written guidance explaining the filing process and clarifying the information required.

Any questions regarding compliance should be directed to DTF at (518) 457-5342 or (800) 972-1233.

Very truly yours,

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Larry Levine  
Assistant Deputy Superintendent &  
Chief Examiner  
Property Bureau