

Sec. 12-426-27. Enumerated services

(a) The rendering of the following enumerated services for a consideration, defined in subsection (b) of this regulation, in this state on or after July 1, 1975, shall be a sale and subject to the sales tax. Any person or entity rendering such services must register with the Commissioner of Revenue Services and must collect the tax due thereon from the purchaser. Such retailers shall pay the taxes so collected in the manner and form as other retailers licensed as such to sell tangible personal property in this state. A purchaser may issue a resale certificate only in those instances where said services are being resold without change.

(b) Enumerated services.

(1) Computer and data processing services.

Such services mean and include providing computer time, storing and filing of information, retrieving or providing access to information, designing, implementing or converting systems, providing consulting services, and conducting feasibility studies. The transfer of dominion and control of computer hardware and software for a consideration does not come within the purview of this section, since such transfer shall constitute a lease or rental of tangible personal property and be subject to tax under Section 12-426-25.

(2) Credit information and reporting services.

Such services include but are not limited to the assembling and evaluating of information regarding the credit standing, creditworthiness, or credit capacity of any individual, corporation, partnership or other type of entity, for the purpose of furnishing and disseminating written or oral credit reports.

(3) Collection services; employment and personnel services.

(a) Collection services mean and include the calling for and receiving of accounts, bills and other indebtedness from a debtor on the behalf of a creditor. Such services are provided for a consideration by a collection agency, whether or not licensed by the state of Connecticut to engage in such services.

(b) Employment services mean and include the procurement or offer to procure for a consideration: Jobs or positions for those seeking employment; or employees for employers seeking the services of employees.

(c) Personnel services mean and include furnishing temporary or part-time help to others by means of employing such temporary and part-time help directly.

(4) Repealed, April 23, 1991.

(5) Private investigation, protection, patrol, watchman and armored car services. Such services mean and include providing personnel or canines to patrol or guard property; engaging in detective or investigative duties; safeguarding or maintaining a surveillance of an individual; maintaining and monitoring mechanical protective devices, such as burglar and fire alarm systems; providing armored cars for the transportation of valuables; wrapping coins; setting up a payroll; and the rendering of police services by an off-duty policeman.

(6) Sign painting and lettering services.

Such services include painting and lettering of indoor or outdoor signs, the painting and lettering of names, trademarks, or logos on store fronts, buildings, billboards, motor vehicles, concrete, and marble.

(7) Interior design and decorating services.

Such services shall include but not be limited to the selection, procurement and

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arrangement of the surface coverings, draperies, furniture, furnishings, and other decorations for the interior of a home or building, counseling with respect to such decorations, and services incidental thereto. Such services do not include the sale of tangible personal property.

(8) Telephone answering services.

Such services include transmitting of telephone messages to the clients of those engaged in the business of providing such services.

(9) Stenographic services.

Such services mean and include typing, taking shorthand, and taking and transcribing dictation for others for a consideration.

(10) Repealed, April 23, 1991.

(11) Services providing “piped-in” music to business or professional establishments.

Such services mean and include providing background music to industrial, commercial, or professional establishments for a consideration, where such music is supplied to customers by radio transmission, telephone lines, and other means.

(c) When the services enumerated in subsection (b) are performed by an employee for his employer, the wages, salaries or other compensation received by the employee do not constitute receipts subject to the Sales and Use Tax.

(d) The services enumerated in subdivisions (b) (1), (2), (4) and (5) are usually rendered in the form of a report by the service agency to its customer. Such reports are taxable, whether given in written, oral or any other form, if delivered to or intended for use in the State of Connecticut.

(e) Collection services rendered by a collection agency are taxable if the collection is made on behalf of a creditor located in Connecticut.

(f) Protection, patrol or watchman services rendered in connection with property located in Connecticut are taxable. Armored car services are taxable when the service is provided to a Connecticut client.

(g) Employment services are taxable if the agency rendering such services procures a job or position in a Connecticut business for a person seeking employment. If a job or position is procured without the state, such services are not taxable.

(h) Personnel services are taxable if the agency rendering such services furnishes temporary or part-time help to a Connecticut business seeking such help. If temporary or part-time help is furnished to a business without the state, such services are not taxable.

(i) Interior decorating and design services are taxable when rendered in connection with property located in Connecticut.

(j) Service agencies providing any of the services enumerated in subsection (b) are considered to be consumers of all tangible personal property consumed in the performance of such services.

(k) The term “includes” when used in a definition contained in this regulation shall not be deemed to exclude other things otherwise within the meaning of the term defined.

(Effective April 7, 1980)