

STATE OF NEW YORK
STATE TAX COMMISSION

In the Matter of the Petition

of
CREDIT RESEARCH CORPORATION

AFFIDAVIT OF MAILING

For a Redetermination of a Deficiency or :
a Revision of a Determination or a Refund :
of Sales and Use :
Taxes under Article(s) 28 & 29 of the :
Tax Law for the Year(s) or Period(s) :
6/1/69 through 12/31/69.

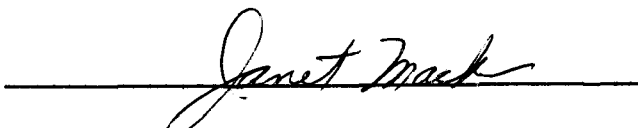
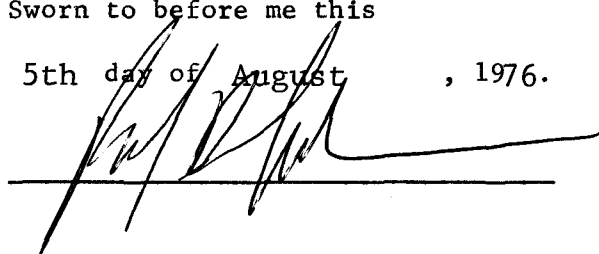
State of New York
County of Albany

Janet Mack , being duly sworn, deposes and says that
she is an employee of the Department of Taxation and Finance, over 18 years of
age, and that on the 5th day of August , 1976 , she served the within
Notice of Determination by ~~(certified)~~ mail upon Credit Research
Corporation ~~(representative of)~~ the petitioner in the within proceeding,
by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed
as follows: Credit Research Corporation
900 Walt Whitman Road
Huntington Station, New York
and by depositing same enclosed in a postpaid properly addressed wrapper in a
(post office or official depository) under the exclusive care and custody of
the United States Postal Service within the State of New York.

That deponent further says that the said addressee is the ~~(representative of the)~~
~~xxxxxx~~ petitioner herein and that the address set forth on said wrapper is the
last known address of the ~~(representative of the)~~ petitioner.
~~xxxxxxxxxxxxxx~~

Sworn to before me this

5th day of August , 1976.



STATE OF NEW YORK
STATE TAX COMMISSION

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For a Redetermination of a Deficiency or :
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6/1/69 through 12/31/69

State of New York
County of Albany

Janet Mack , being duly sworn, deposes and says that
she is an employee of the Department of Taxation and Finance, over 18 years of
age, and that on the 5th day of August , 1976 , she served the within
Notice of Determination by (~~certified~~) mail upon Mitchell N. Kay, Esq.

(representative of) the petitioner in the within proceeding,

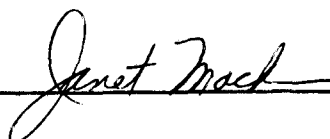
by enclosing a true copy thereof in a securely sealed postpaid wrapper addressed
as follows: Mitchell N. Kay, Esq.
1565 Franklin Avenue
Mineola, New York 11501

and by depositing same enclosed in a postpaid properly addressed wrapper in a
(post office or official depository) under the exclusive care and custody of
the United States Postal Service within the State of New York.

That deponent further says that the said addressee is the (representative
of the) petitioner herein and that the address set forth on said wrapper is the
last known address of the (representative of the) petitioner.

Sworn to before me this

5th day of August , 1976





STATE OF NEW YORK
DEPARTMENT OF TAXATION AND FINANCE

TAX APPEALS BUREAU

STATE CAMPUS
ALBANY, N.Y. 12227

STATE TAX COMMISSION

ADDRESS YOUR REPLY TO

August 5, 1976

TELEPHONE: (518) **457-3850**

⌈
Credit Research Corporation
900 Walt Whitman Road
Huntington Station, New York

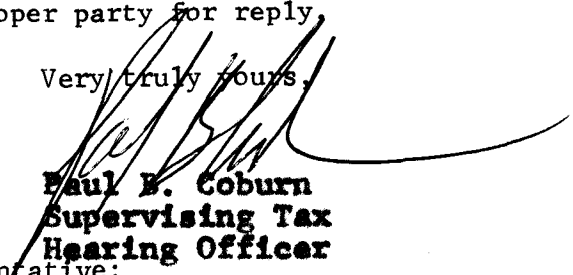
Gentlemen:

Please take notice of the **DETERMINATION**
of the State Tax Commission enclosed herewith.

Please take further notice that pursuant to
Section(s) **1138 & 1243** of the Tax Law, any
proceeding in court to review an adverse deci-
sion must be commenced within **4 months**
from the date of this notice.

Inquiries concerning the computation of tax
due or refund allowed in accordance with this
decision or concerning any other matter relative
hereto may be addressed to the undersigned. They
will be referred to the proper party for reply.

Very truly yours,


Paul E. Coburn
Supervising Tax
Hearing Officer

Enc.

cc: Petitioner's Representative:

Taxing Bureau's Representative:

STATE OF NEW YORK

STATE TAX COMMISSION

In the Matter of the Application	:	
	:	
of	:	
	:	
CREDIT RESEARCH CORPORATION	:	DETERMINATION
	:	
for Revision of a Determination or for	:	
Refund of Sales and Use Taxes under	:	
Articles 28 and 29 of the Tax Law for	:	
the Period June 1, 1969 through	:	
December 31, 1969.	:	

Applicant, Credit Research Corporation, 900 Walt Whitman Road, Huntington Station, New York, has filed an application for a revision of a determination or for refund of sales and use taxes under Articles 28 and 29 of the Tax Law for the period June 1, 1969 through December 31, 1969.

A formal hearing was held before Nigel G. Wright, Hearing Officer, at the offices of the State Tax Commission, Two World Trade Center, New York, New York, on November 18, 1975. The taxpayer appeared by Mitchell N. Kay, Esq. The Sales Tax Bureau appeared by Peter Crotty, Esq. (Alexander Weiss, Esq., of counsel).

ISSUE

Whether applicant, Credit Research Corporation, was performing a taxable service under section 1105(c)(1) of the Tax Law.

FINDINGS OF FACT

1. Applicant, Credit Research Corporation, did not file New York State sales and use tax returns for the period June 1, 1969 through December 31, 1969.

2. On March 12, 1970, the Sales Tax Bureau issued a Notice of Determination and Demand against applicant, Credit Research Corporation, in the sum of \$1,587.08.

3. Applicant, Credit Research Corporation, was formed in June, 1969. The purpose of the corporation was to gather information regarding individuals in particular localities for its clients. The employees of the applicant would solicit information over the telephone from an individual who had been chosen from a local directory. This information would be written on a card and then sent to applicant, Credit Research Corporation's, clients. The purpose of the solicitation was to obtain the names of potential credit customers for the clients. The information received by the clients was then incorporated in reports furnished by the clients to credit bureaus.

4. In the period June 1, 1969 through December 31, 1969, applicant, Credit Research Corporation's, clients, for whom it was soliciting potential customers, included Chase Manhattan Bank, County National Bank, National Bank of North America and Caldor Department Stores.

5. Applicant, Credit Research Corporation, was reimbursed on the basis of the amount of information obtained, i.e. a certain number of questions prepared by the client in advance would have to be answered on each card in order to enable applicant to collect a fee. Applicant, Credit Research Corporation, had contracts with its clients. According to the terms of some of the contracts, a percentage of the cards received could be rejected without cause.

6. Applicant, Credit Research Corporation, has not operated since 1971 although it has never been formally liquidated.

7. Applicant, Credit Research Corporation, has failed to furnish proof to verify its claim that the amount of the assessment was inaccurate.

CONCLUSIONS OF LAW

A. That during the period in issue applicant, Credit Research Corporation, was engaged in the business of collecting and compiling information to be furnished in writing to its clients who in turn forwarded such information to credit bureaus. Because this information was included in reports furnished to credit bureaus, the service was not within the exemption portion of section 1105(c)(1) of the Tax Law.

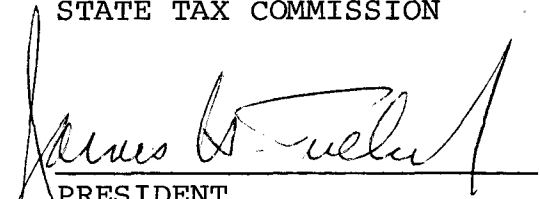
B. That during the period in issue applicant, Credit Research Corporation, performed a taxable service within the meaning and intent of section 1105(c)(1) of the Tax Law.

C. That applicant, Credit Research Corporation, is liable for penalties and interest under section 1145 of the Tax Law for failure to file a return and to pay New York State sales and use taxes as mandated by sections 1131 and 1133 of the Tax Law.

D. That the Notice of Determination and Demand is sustained and the application of Credit Research Corporation is denied.

DATED: Albany, New York
August 5, 1976

STATE TAX COMMISSION


PRESIDENT


COMMISSIONER


COMMISSIONER



STATE OF NEW YORK
DEPARTMENT OF TAXATION AND FINANCE

TAX APPEALS BUREAU
STATE CAMPUS
ALBANY, N.Y. 12227

STATE TAX COMMISSION

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August 5, 1976

TELEPHONE: (518) 457-3850

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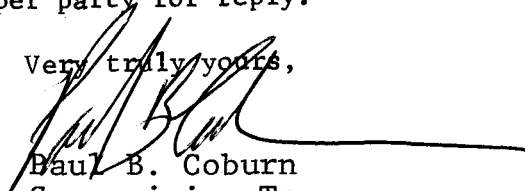
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Inquiries concerning the computation of tax
due or refund allowed in accordance with this
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Very truly yours,


Paul B. Coburn
Supervising Tax
Hearing Officer

Enc.

cc: Petitioner's Representative:

Taxing Bureau's Representative:

STATE OF NEW YORK
Department of Taxation and Finance
TAX APPEALS BUREAU
STATE CAMPUS
ALBANY, N. Y. 12227

RECEIVED / CHECKED
Unrecorded
Unrecorded
Insufficient address
Moved, left no address
No such office in state
Do not read in this envelope

If You Want Your Envelope Returned You Must
Have Your Name, Address, and City or Firm Name
Indicated.

Credit Research Corporation
900 Walt Whitman Road
Huntington Station, New York

48



STATE OF NEW YORK

STATE TAX COMMISSION

In the Matter of the Application	:	
	:	
of	:	
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CREDIT RESEARCH CORPORATION	:	DETERMINATION
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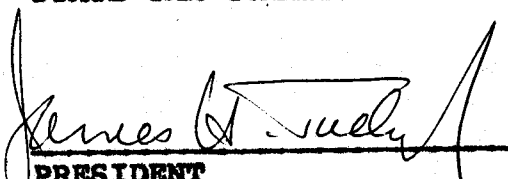
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