

STATE OF NEW YORK  
STATE TAX COMMISSION

In the Matter of the Petition

of

THEODORE J. VALENTA d/b/a

HOOPER ROAD CAR WASH

For a Redetermination of a Deficiency or  
a Refund of Sales and Use

Taxes under Article(s) 28 and 29 of the

Tax Law for the ~~xxxxxx~~ Period

1/1/67 through 11/30/70.

AFFIDAVIT OF MAILING  
OF NOTICE OF DECISION  
BY ~~(CERTIFIED)~~ MAIL

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 30th day of May , 19 75, she served the within

Notice of ~~xxxxxx~~ Determination) by ~~(certified)~~ mail upon Theodore J. Valenta

d/b/a Hooper Road Car Wash(~~representative of~~) the petitioner in the within

proceeding, by enclosing a true copy thereof in a securely sealed postpaid

wrapper addressed as follows: Mr. Theodore J. Valenta

d/b/a Hooper Road Car Wash

526 Hooper Road

Endwell, New York 13763

and by depositing same enclosed in a postpaid properly addressed wrapper in a

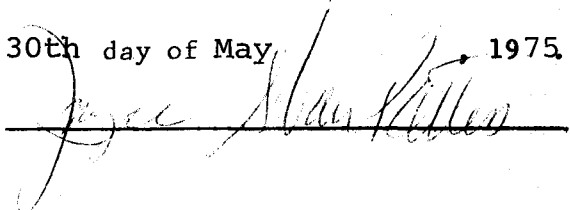
(post office or official depository) under the exclusive care and custody of

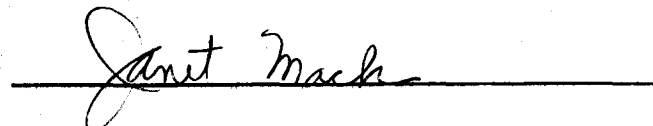
the United States Post Office Department within the State of New York.

That deponent further says that the said addressee is the ~~(representative of)~~  
~~xx~~) 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

30th day of May , 1975.







STATE OF NEW YORK  
DEPARTMENT OF TAXATION AND FINANCE

STATE TAX COMMISSION  
HEARING UNIT

EDWARD ROOK  
SECRETARY TO  
COMMISSION

STATE TAX COMMISSION

~~James H. Tully, Jr.~~  
~~President~~  
A. BRUCE MANLEY  
MILTON KOERNER

BUILDING 9, ROOM 214-A  
STATE CAMPUS  
ALBANY, N.Y. 12227

AREA CODE 518

ADDRESS YOUR REPLY TO

MR. WRIGHT 457-2655  
MR. LEISNER 457-2657  
MR. COBURN 457-2896

DATED: Albany, New York  
May 30, 1975

Mr. Theodore J. Valenta  
d/b/a Hooper Road Car Wash  
526 Hooper Road  
Endwell, New York 13763

Dear Mr. Valenta:

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

Please take further notice that pursuant to  
Section(s) **1138 and 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.

Any 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.  
These will be referred to the proper party for  
reply.

Very truly yours,

**L. Robert Leisner**  
HEARING OFFICER

Enc.

cc: ~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX~~  
Law Bureau

## STATE TAX COMMISSION

A formal hearing was held at the offices of the State Tax Commission, Binghamton, New York, on October 10, 1974, before L. Robert Leisner, Hearing Officer. The taxpayer appeared pro se and the Sales Tax Bureau was represented by Saul Heckelman, Esq. (James A. Scott, Esq. of counsel).

## ISSUE

Are the receipts from washing automobiles exempt from sales tax under Tax Law section 1105(c) (3) as constituting receipts from laundering?

FINDINGS OF FACT

1. The taxpayer, Theodore J. Valenta d/b/a Hooper Road Car Wash, timely filed New York State sales and use tax returns for the period January 1, 1967, through November 30, 1970.

2. A Notice of Determination of sales and use taxes (and penalties) for the period January 1, 1967, through November 30, 1970, was issued on March 31, 1971, against Theodore J. Valenta d/b/a Hooper Road Car Wash under Notice No. 90,745,201.

3. The taxpayer applied for a revision of the determination of the deficiencies in sales tax.

4. The taxpayer is the owner and operator of a self-service car wash facility. For the uninitiated, a self-service car wash facility consists basically of a water nozzle which produces selectively: clear water, hot soapy water and waxy water, and is activated by inserting coins in a box. Other car servicing items are usually dispensed by coin operated machines. Generally speaking, these various items and devices are housed in some sort of shed or garage which includes drainage facilities.

5. The taxpayer contends that he was a manufacturer of hot soapy water for resale and thus entitled to the manufacturers' exemption for materials used in such manufacture.

6. In the alternative, the taxpayer contends his service is a laundry and thus entitled to exemption under section 1105(c) (3) of the Tax Law.

7. Taxpayer's uncontroverted testimony is to the effect that a sales tax was paid by him for materials such as soap or detergent, soluable waxes and water softeners and that further he did pay a sales tax on the materials and equipment composing his car wash plant.

CONCLUSIONS OF LAW

A. The receipts from a car wash are taxable and not exempt as "laundering" under section 1105(c)(3) of the Tax Law, that section being applicable only to cloth and similar material. In re Rondo Enterprises, Inc. (Tax Commission decision, December 23, 1971).

B. Solvents, soaps, etc. used in a car wash are taxable and are not exempt under the manufacturers' exemption. In re Minut Car Wash (Tax Commission decision, March 1, 1971).

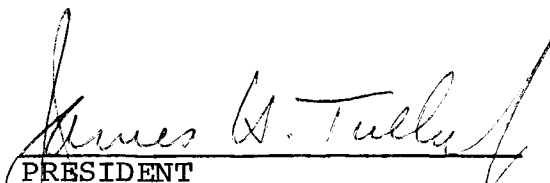
C. The taxpayer acted in good faith.

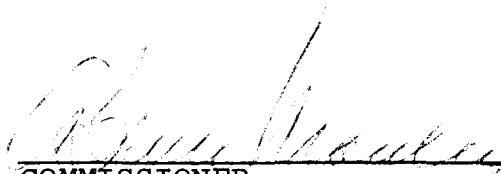
DETERMINATION

The taxpayer's application is denied and the deficiency in sales tax is sustained except as to penalties which are cancelled. Pursuant to the Tax Law, interest shall be added until the amount due is paid.

DATED: Albany, New York  
May 30, 1975

STATE TAX COMMISSION

  
PRESIDENT

  
COMMISSIONER

  
COMMISSIONER