

Purchases of Tangible Personal Property Incorporated Into or Consumed in Water Pollution Control Facilities

General Purpose: The purchaser uses this certificate to claim exemption from sales and use taxes under Conn. Gen. Stat. §12-412(21). The exemption is for purchases of tangible personal property acquired for incorporation into or used and consumed in the operation of facilities for the treatment of industrial waste before the discharge of industrial waste into any waters of the state or into any sewerage system emptying into the waters, the primary purpose of which is the reduction, control, or elimination of water pollution, certified as approved for the purpose by the Commissioner of the Department of Environmental Protection. The Commissioner may certify to a portion of the tangible personal property acquired for incorporation into the facilities to the extent that the portion has as its primary purpose the reduction, control, or elimination of water pollution.

This certificate may also be used to certify that for purposes of the municipal property tax exemption under Conn. Gen. Stat. §12-81(51), the tangible personal property has been approved for incorporation into or used and consumed in the operation of water pollution abatement facilities. For information on either of these provisions, see **Policy Statement 99(3)**, *Tax Exemptions for Certain Water Pollution Control Equipment*.

Statutory Authority: Conn. Gen. Stat. §§12-412(21) and 12-81(51)

Repeal of the Corporation Business Tax Credit: Effective for income years beginning on or after January 1, 1998, the corporation business tax credit under Conn. Gen. Stat. §12-217d for certain expenses for treating industrial waste is repealed. Any corporation eligible for this tax credit may carry any remaining tax credit forward as the provisions of this section would have allowed prior to repeal.

Purchases of Items Not Listed in PS 99(3): The purchaser must obtain and attach to this certificate written approval from the Commissioner of the Department of Environmental Protection indicating that an item of tangible personal property is approved for use in a water pollution control facility. For information on how to obtain written approval from the Department of Environmental Protection (DEP), see **PS 99(3)**.

Instructions for the Purchaser: An owner or officer of a business that purchases tangible personal property to be incorporated into or consumed in the operation of facilities for the treatment of industrial waste before the discharge of industrial waste into any waters of the state or into any sewerage system emptying into the waters, the primary purpose of which is the reduction, control, or elimination of water pollution, certified as approved for such purpose by the Commissioner of the Department of Environmental Protection issues and signs this certificate. To qualify for the exemption from sales and use taxes under Conn. Gen. Stat. §12-412(21), the purchaser must present this certificate to the retailer at the time of purchase of the qualifying tangible personal property.

To obtain the municipal property tax exemption under Conn. Gen. Stat. §12-81(51) which may be available for qualifying structures or equipment, the taxpayer must file a properly completed copy of this certificate with the assessor of the municipality in which the structures or equipment are located after confirming that municipality's procedures for qualifying for the exemption.

Instructions for the Seller: Acceptance of this certificate, when properly completed, shall relieve the seller from the burden of proving the sale of tangible personal property is not subject to sales and use taxes when the tangible personal property will be used or consumed in the operation of facilities for the treatment of industrial waste before the discharge of industrial waste into any waters of the state or into any sewerage system emptying into any waters, the primary purpose of which is the reduction, control, or elimination of water pollution, and is certified as approved for the purpose by the Commissioner of the Department of Environmental Protection.

The certificate is valid only if taken in good faith from a person who is an owner or officer of a business that will use tangible personal property being purchased as provided in Conn. Gen. Stat. §12-412(21). For example, the good faith of the seller will be questioned if the seller knows of facts that suggest the purchaser will not use the tangible personal property for water pollution abatement or that the tangible personal property cannot be used for that purpose, or that the tangible personal property has not been approved by DEP. This certificate together with proof that the tangible personal property is approved for use or consumption in water pollution abatement, and bills or invoices to the purchaser, must be maintained by the seller for at least six years from the date on which the items were purchased. The bills, invoices, or records covering purchases made under this certificate must be appropriately marked to indicate an exempt purchase has occurred. The words "Exempt Under CERT-124" satisfy the requirement.

This certificate may be used for individual exempt purchases, in which event the box marked "Certificate for One Purchase Only" must be checked. This certificate may also be used for a continuing line of exempt purchases, in which event the box marked "Blanket Certificate" must be checked. A blanket certificate remains in effect for three years unless the purchaser revokes it in writing before the period expires.

For More Information: Call Taxpayer Services at 1-800-382-9463 (in-state) or 860-297-5962 (from anywhere). **TTY, TDD, and Text Telephone users** only may transmit inquiries anytime by calling 860-297-4911. Preview and download forms and publications from the DRS Web site at www.ct.gov/DRS

Name of Purchaser	Address	CT Tax Registration Number (If none, explain)	Federal Employer ID Number
Name of Seller	Address	CT Tax Registration Number (If none, explain)	Federal Employer ID Number

Check One Box:

Blanket Certificate

Certificate for One Purchase Only

Check Applicable Box(es):

Water Pollution Equipment

Supplies/Consumables

Itemized description of items purchased (For the municipal property tax exemption include date acquired, date installed, and purchase price. These items must also be included on the *Declaration of Personal Property*):

Declaration by Purchaser

The item(s) described above are tangible personal property to be used or consumed by a business in the operation of facilities for the treatment of industrial waste before the discharge of industrial waste into any waters of the state or into any sewerage system emptying into the waters, the primary purpose of which is the reduction, control, or elimination of water pollution, certified as approved for the purpose by the Commissioner of the Department of Environmental Protection.

In accordance with Conn. Gen. Stat. §12-412(21), the purchase of these item(s) is exempt from sales and use taxes.

In accordance with Conn. Gen. Stat. §12-81(51), these items may be exempt from municipal property tax. Describe the items above and include on the *Declaration of Personal Property*.

Declaration: I declare under penalty of law that I have examined this return or document (including any accompanying schedules and statements) and, to the best of my knowledge and belief, it is true, complete, and correct. I understand the penalty for willfully delivering a false return or document to DRS is a fine of not more than \$5,000, or imprisonment for not more than five years, or both.

Name of Purchasing Business

BY: _____
Authorized Signature of Owner or Officer Title Date