



Department of Energy
Office of Science
Brookhaven Site Office
P.O. Box 5000
Upton, New York 11973

Dr. Susan McKeon
Chief Financial Officer
Associate Lab Director, Business Services
Brookhaven Science Associates, LLC
Brookhaven National Laboratory
Upton, NY 11973

Dear Dr. McKeon:

SUBJECT: NEW YORK STATE SALES TAX ON PARKING FEES AT NYS FACILITIES

Reference: Letter from E. Landini, SC-BHSO to G. Clark, BSA, Subject: NYS Sales Tax on Parking Fees at NYS Facilities, dated June 30, 2016

Although Brookhaven Science Associates (BSA) obtained tax-exempt status for New York State (NYS) sales taxes, NYS public parking facilities (airports) do not have a methodology to segregate the associated taxes from the parking bills. In addition, subsequent discussions with parking garage management indicated they would not accept NYS sales tax exemption forms. In addition, the effort required to review receipts and try to segregate associated taxes is neither prudent nor cost-effective. As a result, BSA considered the charges unavoidable and requested that they be allowed under the Department of Energy (DOE) contract.

The referenced letter granted the request that associated taxes on parking receipts submitted by employees for approved business travel can be considered for reimbursement if they are deemed reasonable, allocable, and not otherwise unallowable. The letter further required an annual review from BSA to determine if NYS public parking facilities improved their process/methodology to segregate parking taxes or made changes to exclude parking taxes. Taking into consideration the time and cost to conduct these annual reviews and the related risk and materiality, Brookhaven Site Office (BHSO) is updating the request to have BSA conduct these reviews every three years compared to the annual reviews previously requested.

If you have any questions, please contact John Meadows at john.meadows@science.doe.gov or Jonathan Loh at Jonathan.loh@science.doe.gov.

Sincerely,

Robert P. Gordon
Contracting Officer
Site Manager

cc: S. Alexander, SC-BHSO
J. Loh, SC-BHSO
J. Meadows, SC-BHSO

K. Didie, BSA
J. Mehlinger, BSA