
Residential Condominium Association

Statutory and Regulatory Authority: Conn. Gen. Stat. §12-407(a)(37)(I) and Conn. Agencies Regs. §12-407(2)(i)(I)-1 and §12-407(2)(i)(BB)-1; Conn. Gen. Stat. §12-407(2)(i)(BB).

General Purpose: A residential condominium association uses this certificate to establish, for a particular calendar year, the percentage of the condominium units that are not owner-occupied. That percentage will be used by the service provider as the percentage of charges for services to real property that are subject to sales and use taxes.

Services to real property include such services as management, electrical, plumbing, carpentry, plastering, heating, air conditioning, ventilation, flooring, sandblasting, carpeting, masonry, refuse and sanitary waste removal services, paving, painting or staining, wallpapering, roofing, siding, and exterior sheet metal work. Use this certificate to establish the percentage of these services that are taxable.

Services to real property do not include locksmith, landscaping and horticulture, window cleaning, maintenance, janitorial, exterminating or swimming pool cleaning, and maintenance services. Charges for these services are fully subject to sales and use taxes. See Conn. Agencies Regs. §12-407(2)(i)(I)-1(g)(2).

Contractors are consumers of tangible personal property physically incorporated into buildings being constructed or renovated by them. Sales of such property to contractors are retail sales subject to sales and use taxes. Where a subcontractor will not accept a resale certificate issued by a general contractor in connection with services to industrial, commercial, or income-producing real property being rendered to the general contractor by the subcontractor, this certificate may be issued by the general contractor to the subcontractor. Where a subcontractor will accept a resale certificate issued by the general contractor in connection with services to industrial, commercial, or income-producing real property being rendered to the general contractor by the subcontractor, this certificate need not be issued by the general contractor to the subcontractor. In all instances, the condominium association must issue CERT-103 to any contractor that renders services to the common elements.

Instructions for Service Recipient (Condominium Association or General Contractor): A principal officer of the association must sign this certificate. The information must be accurate as of the first day of the calendar year covered by this certificate. Keep a copy of the certificate and records that substantiate the information entered on the certificate for at least six years from the end of the calendar year covered by this certificate. You may issue this certificate only where the services are rendered to the common elements and where the services are “services to industrial, commercial or income-producing real property,” as defined in Conn. Agencies Regs. §12-407(2)(i)(I)-1(g). You may not issue this certificate in connection with rendering any other services to the condominium association or where the services are not rendered to the common elements.

Instructions for Service Provider (General Contractor or Subcontractor): Acceptance of this certificate, when properly completed by a service recipient, relieves the service provider from the burden of proving that services were not rendered to income-producing real property only if taken in good faith from the condominium association or the general contractor. The good faith of the service provider will be questioned if the provider has knowledge of facts that give rise to a reasonable inference the information in this certificate is inaccurate. Keep this certificate and bills or invoices to the condominium association for at least six years from the date the services were rendered. The bills or invoices must be appropriately marked to indicate the charges for services were partially or totally exempted from sales and use taxes. The words “Exempt under CERT-103” satisfy this requirement.

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

