

TOWN OF WELLESLEY – UTILITY SERVICES
4 MUNICIPAL WAY
WELLESLEY HILLS, MA 02481-9187
TELEPHONE (781) 235-7600

MASSACHUSETTS ENERGY TAX EXEMPTIONS

Businesses, government entities and charitable organizations in Massachusetts may be exempt from paying sales tax on their Wellesley electric bill each month if they meet certain criteria.

SMALL BUSINESS ENERGY TAX EXEMPTION

A qualifying business must:

1. Have had gross income of less than \$1,000,000 in the prior year and anticipate less than \$1,000,000 in the current year;
2. Have five or fewer qualifying employees;
3. Use the energy purchased solely for itself and not for the benefit of others;
4. Consider affiliated businesses as one business for the purposes of the exemption.

If you believe your business is eligible for the Massachusetts Small Business Energy Exemption, you must apply online through the Massachusetts Department of Revenue's MassTaxConnect (<https://mtc.dor.state.ma.us/mtc/>) application to receive a Small Business Energy Exemption Certificate. Once you have completed the online registration you must submit this Certificate to the Wellesley Municipal Light Plant in order for your account to be tax exempt. You will receive an email reminder from the DOR when it is time to renew your certificate.

Please be aware that the Town of Wellesley is only responsible for collecting and maintaining the exemption certificates. *Any questions you may have concerning completion of the form, qualifying for the exemption, etc. should be directed to the Massachusetts Department of Revenue, Taxpayer Assistance Bureau-Sales Tax Unit, PO Box 7010, Boston MA 02204. Their customer service telephone numbers are (617) 887-6367 or 1-800-392-6089.*

OTHER ENERGY TAX EXEMPTIONS

Sales to organizations that are tax-exempt under Section 501(c)(3) of the Internal Revenue Code (such as charitable and nonprofit organizations), as well as sales to agents of Section 501(c)(3) organizations, generally are exempt. To obtain the exemption, the purchaser, or its agent, must provide a signed copy of a Sales Tax Exempt Purchaser Certificate (Form ST-5) or Contractor's Sales Tax Exempt Purchase Certificate (Form ST-5C) **and** a copy of the organization's Certificate of Exemption (Form ST-2) issued by the Commonwealth of Massachusetts.

Sales of electricity for residential purposes are exempt. Residential use includes use in any dwelling where people reside on a long-term basis, whether or not the occupants of the dwelling are the purchasers of the electricity. Thus, residential use includes use in apartment buildings, rooming houses and nursing homes as well as use in single family or multifamily homes.