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International Business Machines Corporation

v. Commissioner of Revenue

1997 WL 694773 (Mass. App. Tax. Bd. 10/24/97).

IBM obtained resale certificates from its lessees in sale/leaseback transactions. It was able to produce two-thirds of the certificates at trial. The Massachusetts Commissioner of Revenue argued that these certificates were improper because the lessees were not actually in the business of buying the leased equipment for resale and were only executing the certificates in connection with the isolated sale/leaseback transactions.

The Appellate Tax Board held for IBM, upholding the resale certificates where they were produced. However, it was unwilling to accept IBM's word that it had obtained the resale certificates in the other transactions. Once again: Get the paper.

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