

## SALES AND USE TAX ACT

- 18:24-7.12 Taxable and exempt services
- 18:24-7.13 Taxability of motor vehicles used by manufacturer before sale; computation
- 18:24-7.14 Taxability of motor vehicles withdrawn from inventory of motor vehicle dealer; computation
- 18:24-7.15 Leases and rentals of motor vehicles
- 18:24-7.16 Issuance and acceptance of resale and exemption certificates
- 18:24-7.17 Retention of records
- 18:24-7.18 Exemption for sale, lease or rental of certain commercial trucks and vehicles used in combination therewith
- 18:24-7.19 Taxation of manufactured and mobile homes
- 18:24-7.20 Exemption for certain buses
- 18:24-7.21 Exemption for limousines

### SUBCHAPTER 8. EXEMPT NONGOVERNMENTAL ORGANIZATIONS

- 18:24-8.1 General statutory exemption to qualified organizations
- 18:24-8.2 Exemption not based on nonprofit status
- 18:24-8.3 Reliance on granted exemption; change in status
- 18:24-8.4 Application for exemption; information
- 18:24-8.5 Private shareholder or individual defined

### SUBCHAPTER 9. REQUIREMENTS RELATING TO EXEMPT PRIVATE ORGANIZATIONS

- 18:24-9.1 Organizational and operational requirements of exempt organizations
- 18:24-9.2 Exempt purpose defined
- 18:24-9.3 Organizational tests
- 18:24-9.4 Operational test
- 18:24-9.5 Specific purposes exempt
- 18:24-9.6 Exempt organizations must serve public interest
- 18:24-9.7 "Charitable" defined
- 18:24-9.8 "Educational" defined
- 18:24-9.9 "Testing for public safety" defined
- 18:24-9.10 "Scientific" defined
- 18:24-9.11 Organizations carrying on trade or business
- 18:24-9.12 Sales of meals and rental of rooms to exempt organizations
- 18:24-9.13 Student organization purchases

### SUBCHAPTER 10. ISSUANCE AND ACCEPTANCE OF EXEMPTION CERTIFICATES

- 18:24-10.1 Scope of Subchapter
- 18:24-10.2 General requirements
- 18:24-10.3 Responsibility
- 18:24-10.4 Acceptance of exemption certificates
- 18:24-10.5 Exemption certificates; conditions, retention, and inspection; use of resale certificates by out-of-State sellers
- 18:24-10.6 through 18:24-10.7 (Reserved)

### SUBCHAPTER 11. OBLIGATION TO COLLECT AND PAY SALES TAX OR COMPENSATING USE TAX

- 18:24-11.1 Seller to collect tax
- 18:24-11.2 Filing of monthly remittance and quarterly returns
- 18:24-11.3 Filing of use tax returns by registered individuals and entities not operating as sellers

### SUBCHAPTER 12. RECEIPTS FROM THE SALE OF FOOD, FOOD INGREDIENTS AND PREPARED FOOD

- 18:24-12.1 Scope of subchapter
- 18:24-12.2 Definitions
- 18:24-12.2A Threshold test for determining whether utensils are provided by seller
- 18:24-12.3 Receipts subject to sales tax
- 18:24-12.4 Exemption for sales of food sold for human consumption off seller's premises
- 18:24-12.5 Receipts exempt from sales tax

- 18:24-12.6 Subsidized employee cafeterias and food service operations
- 18:24-12.7 Gratuities and service charges

### SUBCHAPTER 13. GARBAGE REMOVAL SERVICE

- 18:24-13.1 Garbage removal service on regular basis tax exempt
- 18:24-13.2 Garbage removal service defined
- 18:24-13.3 Taxable garbage removal services

### SUBCHAPTER 14. TAXABILITY OF HOSPITAL SALES AND SERVICES

- 18:24-14.1 Hospital sales may be exempt
- 18:24-14.2 Taxable hospital sales
- 18:24-14.3 Hospital sales specifically exempt

### SUBCHAPTER 15. LAUNDRY AND DRY CLEANING SERVICES

- 18:24-15.1 Scope of the subchapter
- 18:24-15.2 Taxability of laundry and dry cleaning services
- 18:24-15.3 Laundering, dry cleaning, and cleaning of clothing is exempt
- 18:24-15.4 Rentals of linens and clothing
- 18:24-15.5 Receipts for use of self-service washing and drying machines

### SUBCHAPTER 16. COIN-OPERATED VENDING MACHINES; SALES OF TANGIBLE PERSONAL PROPERTY; SALES OF FOOD AND DRINK

- 18:24-16.1 Tax of vending machine sales generally
- 18:24-16.2 Registration to operate vending machines
- 18:24-16.3 Registration number
- 18:24-16.4 Statement on vending machines
- 18:24-16.5 Seller's records; contents
- 18:24-16.6 Tax on gross receipts
- 18:24-16.7 Tax exemptions
- 18:24-16.8 Purchase of vending machine contents without tax payment; resale certificate
- 18:24-16.9 Responsibility for tax payment; amount

### SUBCHAPTER 17. SPECIFIC RULES FOR VENDORS WHO SELL TANGIBLE PERSONAL PROPERTY THROUGH VENDING MACHINES AT 25 CENTS OR LESS

- 18:24-17.1 Statutory basis
- 18:24-17.2 Definition
- 18:24-17.3 (Reserved)
- 18:24-17.4 Tax amount payable

### SUBCHAPTER 18. TAXABILITY OF MOTOR FUELS

- 18:24-18.1 Motor fuel exempt from Act

### SUBCHAPTER 19. SALES OF TANGIBLE PERSONAL PROPERTY AND SERVICES USED ON FARMS

- 18:24-19.1 Scope of rules
- 18:24-19.2 Definitions
- 18:24-19.3 Scope of exemption
- 18:24-19.4 Direct use
- 18:24-19.5 Primary use
- 18:24-19.6 Exclusions; exceptions to exclusions
- 18:24-19.7 Farmer's Exemption Certificate: ST-7
- 18:24-19.8 Other exemptions specifically for farmers
- 18:24-19.9 Other exemptions not specifically for farming enterprises

### SUBCHAPTER 20. COMMERCIAL ADVERTISING FILM NEGATIVES, ORIGINAL PRODUCTION VIDEO TAPE, AND SIMILAR MATERIALS

- 18:24-20.1 Scope of rule
- 18:24-20.2 Taxability

**SUBCHAPTER 21. (RESERVED)**

**SUBCHAPTER 22. SALES MADE BY FLOOR COVERING DEALERS**

- 18:24-22.1 Scope of subchapter
- 18:24-22.2 Floor covering dealer transactions
- 18:24-22.3 Installation services
- 18:24-22.4 through 18:24-22.5 (Reserved)

**SUBCHAPTER 23. BAD DEBTS**

- 18:24-23.1 Charging and remitting tax
- 18:24-23.2 Definitions
- 18:24-23.3 Deduction for bad debt
- 18:24-23.4 Procedure for claiming credit for bad debts

**SUBCHAPTER 24. (RESERVED)**

**SUBCHAPTER 25. SALES OF SOFTWARE AND RELATED SERVICES**

- 18:24-25.1 Definitions
- 18:24-25.2 Prewritten computer software taxed as tangible personal property
- 18:24-25.3 Development of custom software treated as nontaxable service transaction
- 18:24-25.4 Treatment of modified software
- 18:24-25.5 Retail sales of electronically delivered prewritten software; business-use exemption
- 18:24-25.6 Treatment of maintenance contracts and software-related services
- 18:24-25.7 Sourcing

**SUBCHAPTER 26. SOLAR ENERGY DEVICES OR SYSTEMS; EXEMPTION FROM SALES AND USE TAXATION**

- 18:24-26.1 Scope of subchapter
- 18:24-26.2 Technical sufficiency standards of solar energy systems; devices for storing solar-generated energy
- 18:24-26.3 (Reserved)
- 18:24-26.4 Procedure for exemption
- 18:24-26.5 Nonexempt purchases

**SUBCHAPTER 27. TRANSPORTATION OF PERSONS AND OF TANGIBLE PERSONAL PROPERTY**

- 18:24-27.1 Nontaxability of transportation services; exceptions
- 18:24-27.2 Delivery charges
- 18:24-27.3 Transportation services provided by limousine operators

**SUBCHAPTER 28. RACE HORSES**

- 18:24-28.1 Scope of subchapter
- 18:24-28.2 Purchase of race horses
- 18:24-28.3 Claiming races
- 18:24-28.4 Compensating use tax
- 18:24-28.5 Resident
- 18:24-28.6 (Reserved)
- 18:24-28.7 Trades
- 18:24-28.8 Homebreds
- 18:24-28.9 Syndication

**SUBCHAPTER 29. DISPOSABLE HOUSEHOLD PAPER PRODUCTS; EXEMPTION FROM SALES AND USE TAX**

- 18:24-29.1 Scope of subchapter
- 18:24-29.2 Definitions
- 18:24-29.3 (Reserved)
- 18:24-29.4 Household paper products
- 18:24-29.5 Business use

**SUBCHAPTER 30. (RESERVED)**

**SUBCHAPTER 31. URBAN ENTERPRISE ZONES ACT**

- 18:24-31.1 General
- 18:24-31.2 Definitions
- 18:24-31.3 Exemption for retail sales to a qualified business
- 18:24-31.4 Partial exemption for retail sales of tangible personal property by a certified seller
- 18:24-31.5 No partial exemption for retail sales of taxable services by a qualifying business
- 18:24-31.6 Exemption for retail sales of building materials to or for a qualified business
- 18:24-31.7 through 18:24-31.9 (Reserved)

**SUBCHAPTER 32. LEASES AND RENTALS OF TANGIBLE PERSONAL PROPERTY**

- 18:24-32.1 Scope of subchapter
- 18:24-32.2 Definition of "lease or rental"
- 18:24-32.3 Tax base and calculation of tax
- 18:24-32.4 Payments, collection, and remittance of tax
- 18:24-32.5 Treatment of leases when property is relocated to or from New Jersey before expiration of the lease
- 18:24-32.6 Sourcing
- 18:24-32.7 Treatment of leases that began before October 1, 2005

**SUBCHAPTER 33. MASSAGE, BODYWORK, AND SOMATIC SERVICES**

- 18:24-33.1 Scope of the subchapter
- 18:24-33.2 Tax imposed on massage, bodywork, and somatic services
- 18:24-33.3 Definition of "massage, bodywork, and somatic services"
- 18:24-33.4 Doctor's prescription
- 18:24-33.5 Type of facility does not affect taxability
- 18:24-33.6 Contracted services and employee services

**SUBCHAPTER 34. INVESTIGATION AND SECURITY SERVICES**

- 18:24-34.1 Scope of the subchapter
- 18:24-34.2 Categories of investigation and security services
- 18:24-34.3 Investigation and detective services
- 18:24-34.4 Security guard and patrol services
- 18:24-34.5 Armored car services
- 18:24-34.6 Security systems services

**SUBCHAPTER 35. INFORMATION SERVICES**

- 18:24-35.1 Scope of the subchapter
- 18:24-35.2 Taxability of information services
- 18:24-35.3 Information services distinguished from information-related services
- 18:24-35.4 Examples of taxable information services
- 18:24-35.5 Examples of services that are not treated as information services

**SUBCHAPTER 36. SALES PRICE**

- 18:24-36.1 Scope of the subchapter
- 18:24-36.2 Application of "sales price"

**SUBCHAPTER 1. FORMS AND DEFINITIONS**

**18:24-1.1 Sales and Use Tax Act forms enumerated**

The following list reflects sales and use tax forms currently available for use under N.J.S.A. 54:32B-1 et seq.

must collect the sales tax from his or her customer on the sales price of the floor covering.

(c) The sales tax collection obligations of a floor covering dealer/installer, who as both a seller of tangible personal property and a contractor are as follows:

1. A floor covering dealer in New Jersey is required to be registered as a seller with the New Jersey Division of Taxation and to collect tax from customers to whom it makes retail sales of floor coverings in New Jersey.

2. A floor covering dealer who installs the floor coverings that he or she sells, or who arranges for sub-contractors to install the floor coverings for him or her, is both a retail seller of floor coverings and a contractor with respect to the installation services. The dealer/contractor must collect sales tax from customers on both the sale of floor coverings and the sale of installation services.

As amended, R.1978 d.320, effective September 13, 1978.

See: 10 N.J.R. 362(a), 10 N.J.R. 457(b).

Amended by R.2003 d.348, effective August 18, 2003.

See: 35 N.J.R. 2165(a), 35 N.J.R. 3848(a).

Added a new (a); recodified former (a) as (b) and rewrote the paragraph; deleted former (b).

Amended by R.2008 d.356, effective December 1, 2008.

See: 40 N.J.R. 1777(a), 40 N.J.R. 6832(a).

Deleted (a)1 and (a)2; rewrote (b); and added (c).

### 18:24-22.3 Installation services

(a) Every person who installs floor covering is a contractor.

1. When a floor covering dealer performs an installation service, he is required either to pay sales tax at the time supplies for use in the installation service are purchased or remit use tax upon the cost of supplies withdrawn from his sales inventory for use in the installation service. Supplies include, but are not limited to, underlayment, nails, staples, plywood strips, adhesive tape and cement.

2. A contractor who is not also a floor covering dealer is required to pay sales or use tax on the floor coverings he purchases for installation, as well as on supplies. See N.J.A.C. 18:24-5.3.

(b) Receipts for the service of installing floor covering are subject to sales tax, regardless of whether the installation results in a capital improvement. See also N.J.A.C. 18:24-5.6(b)1 and 5.16(a)6vi.

As amended, R.1978 d.320, effective September 13, 1978.

See: 10 N.J.R. 362(a), 10 N.J.R. 457(b).

As amended, R.1980 d.102, effective March 15, 1980.

See: 12 N.J.R. 96(b), 12 N.J.R. 224(d).

Amended by R.2003 d.348, effective August 18, 2003.

See: 35 N.J.R. 2165(a), 35 N.J.R. 3848(a).

Rewrote the section.

Amended by R.2008 d.356, effective December 1, 2008.

See: 40 N.J.R. 1777(a), 40 N.J.R. 6832(a).

Rewrote (b); and deleted (c) through (e).

### 18:24-22.4 (Reserved)

Amended by R.1998 d.288, effective June 1, 1998.

See: 30 N.J.R. 1206(b), 30 N.J.R. 2070(b).

Repealed by R.2008 d.356, effective December 1, 2008.

See: 40 N.J.R. 1777(a), 40 N.J.R. 6832(a).

Section was "Floor covering when capital improvement; dealer records".

### 18:24-22.5 (Reserved)

Amended by R.1998 d.288, effective June 1, 1998.

See: 30 N.J.R. 1206(b), 30 N.J.R. 2070(b).

In (d), substituted "properly completed Use Tax Return (Form ST-18)" for "note explaining the remittance" at the end.

Amended by R.2003 d.348, effective August 18, 2003.

See: 35 N.J.R. 2165(a), 35 N.J.R. 3848(a).

In (e)1, inserted "New Jersey" preceding "sales tax"; in (h), deleted "and Mr. Frank is liable for the business personal property tax on the value of the carpet" following "installation of the carpeting".

Repealed by R.2008 d.356, effective December 1, 2008.

See: 40 N.J.R. 1777(a), 40 N.J.R. 6832(a).

Section was "Examples".

## SUBCHAPTER 23. BAD DEBTS

### 18:24-23.1 Charging and remitting tax

A seller of taxable tangible personal property or services must charge and remit the sales tax on all transactions whether for cash or credit.

Amended by R.2008 d.356, effective December 1, 2008.

See: 40 N.J.R. 1777(a), 40 N.J.R. 6832(a).

Substituted "seller" for "vendor".

### 18:24-23.2 Definitions

The following words and terms, as used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

"Bad debt" has the same meaning as in the Federal definition at 26 U.S.C. §166, except that the amount calculated according to 26 U.S.C. §166 shall be adjusted to exclude financing charges, interest, sales or use tax charged on the purchase price, uncollectible amounts on property that remains in the seller's possession pending payment of the full purchase price, expenses incurred in attempting to collect the debt, and repossessed property.

"Claimant" means a seller seeking a deduction, credit, or refund for a bad debt.

Repeal and New Rule, R.2008 d.356, effective December 1, 2008.

See: 40 N.J.R. 1777(a), 40 N.J.R. 6832(a).

Section was "Bad debts; tax refund".

### 18:24-23.3 Deduction for bad debt

A seller is allowed a deduction from taxable sales for bad debts.

Repeal and New Rule, R.2008 d.356, effective December 1, 2008.

See: 40 N.J.R. 1777(a), 40 N.J.R. 6832(a).

Section was "Claim for refund".

**18:24-23.4 Procedure for claiming credit for bad debts**

(a) As seller may deduct a bad debt on the sales and use tax return for the period during which the bad debt is written off as uncollectable in the claimant's books and records and is eligible to be deducted for Federal income tax purposes. A claimant who is not required to file Federal income tax returns may deduct a bad debt on the sales and use tax filed for the period in which the bad debt is written off as uncollectable in the claimant's books and records and would have been eligible for a bad debt deduction for Federal income tax purposes if the claimant had been required to file a Federal income tax return.

(b) If a deduction is taken for bad debt and the debt is subsequently collected in whole or in part, the sales or use tax on the amount so collected must be paid and reported on the sales and use tax return filed for the period in which the collection is made.

(c) When the amount of bad debt exceeds the amount of taxable sales for the period during which the bad debt is written off, a refund claim may be filed within four-years from the due date of the return on which the bad debt could first be claimed.

(d) If the filing responsibilities have been assumed by a certified service provider, the service provider may claim, on behalf of the seller, any bad debt allowance provided by this section. The certified service provider must credit or refund the full amount of any bad debt allowance or refund received to the seller.

(e) For the purposes of reporting a payment received on a previously claimed bad debt, any payments made on a debt or account are applied first proportionally to the taxable price of the property or service and the sales tax thereon, and secondly to interest, service charges, and any other charges.

New Rule, R.2008 d.356, effective December 1, 2008.  
See: 40 N.J.R. 1777(a), 40 N.J.R. 6832(a).

---

**SUBCHAPTER 24. (RESERVED)**


---



---

**SUBCHAPTER 25. SALES OF SOFTWARE AND RELATED SERVICES**


---

**18:24-25.1 Definitions**

The following words and terms, as used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

"Computer software" means a set of coded instructions designed to cause a computer or automatic data processing equipment to perform a task.

"Custom software" means software created, written, and designed for the exclusive use of a specific customer and sold to the customer for whom it was designed.

"Delivered electronically" means delivered from the seller to the purchaser by means other than tangible storage media.

"Load-and-leave" is a method of software delivery whereby a seller or its representative installs software on a customer's computer by using a tangible storage medium, which is then removed and not left in the customer's possession.

"Prewritten computer software" means any computer software, including prewritten upgrades and combinations of two or more prewritten software programs, that is not designed and developed to meet the unique requirements of a specific purchaser and sold to that specific purchaser for the purchaser's exclusive use.

"Software subscription" means a transaction requiring additional payments for updates to prewritten computer software.

"Software term license" means a transaction in which the purchaser's right to continue to use prewritten software is dependent on periodic payments.

"Tangible personal property" means personal property that can be seen, weighed, measured, felt, touched, or in any other way perceived by human senses. It includes prewritten computer software, regardless of whether it is delivered electronically or through tangible storage media.

**18:24-25.2 Prewritten computer software taxed as tangible personal property**

(a) The retail sale of prewritten computer software, including prewritten software transmitted electronically, is subject to sales or use tax unless a specific statutory exemption applies under the circumstances of the transaction.

(b) The sale of a license to use prewritten computer software is a retail sale of prewritten computer software.

**18:24-25.3 Development of custom software treated as nontaxable service transaction**

(a) Software created, written, and designed for the exclusive use of a specific purchaser and sold to the purchaser for whom it was created is not prewritten software.

(b) The purchase of entirely custom-made software, by the purchaser for whom it was created, is treated as the purchase of a nontaxable software design service.

**18:24-25.4 Treatment of modified software**

(a) The sale of prewritten software that has been modified to meet the purchaser's special need or combined with other

prewritten software is treated as the sale of prewritten software.

(b) Separately stated, commercially reasonable fees for the service of modifying prewritten software for a purchaser are not taxable.

**18:24-25.5 Retail sales of electronically delivered prewritten software; business-use exemption**

(a) Effective October 1, 2006, retail sales of electronically delivered prewritten software are treated as retail sales of tangible personal property.

(b) Retail sales of electronically delivered prewritten software are taxable, except as provided in this subsection.

1. Sales of electronically delivered prewritten software are exempt from sales and use tax if the software is to be used directly and exclusively in the conduct of the purchaser's business, trade, or occupation.

2. In the following situations, software is not deemed to be delivered electronically, and therefore the business-use exemption does not apply:

- i. Software delivered by "load-and-leave" method; or
- ii. Purchaser receives the software in some tangible storage medium in addition to receiving it by electronic delivery.

(c) The sale of music, ringtones, movies, books, and audio and video works delivered through electronic means is not deemed to be the sale of electronically delivered software.

**18:24-25.6 Treatment of maintenance contracts and software-related services**

(a) Charges for installation of pre-written software on a computer are subject to sales tax.

(b) Fees for maintenance contracts that include only the provision of online or telephone advice, guidance, and customer support are not taxable.

(c) Fees for maintenance contracts that include the delivery of updated, corrected, or supplemental software via tangible storage media or via electronic delivery are taxable unless the updates will be:

- 1. Delivered only electronically and will be used directly and exclusively in the purchaser's business, trade, or occupation; or
- 2. Entirely custom-made of custom software, for the exclusive use of the original purchaser.

(d) Since electronically delivered prewritten software is tangible personal property, the services of installing, maintaining, servicing, and repairing such software are taxable to

the same extent as those services rendered for prewritten software delivered via tangible storage media.

**18:24-25.7 Sourcing**

(a) Sourcing of receipts from sales of prewritten computer software is governed by the following principles.

1. If prewritten computer software is received by the purchaser at a business location of the seller, the retail sale is sourced to that business location.

2. If prewritten computer software is not received by the purchaser at a business location of the seller, the retail sale is sourced to the location(s) where receipt by the purchaser occurs. Receipt may occur at multiple locations if the seller delivers the software to multiple locations. The transaction is sourced to those locations if the seller receives delivery information from the purchaser by the time of the invoice.

3. If (a)1 and 2 above do not apply, the retail sale is sourced to the location indicated by an address for the purchaser that is available from the business records of the seller, that are maintained in the ordinary course of business when use of this address does not constitute bad faith.

4. If (a)1, 2 and 3 above do not apply, the retail sale is sourced to the location indicated by an address for the purchaser obtained during the consummation of the retail sale, including the address of a purchaser's payment instrument if no other address is available when this address does not constitute bad faith.

5. If (a)1, 2, 3, or 4 above of this rule do not apply, including circumstances in which the seller is without sufficient information to apply those paragraphs, then the retail sale is sourced to the jurisdiction for the address of the location from which the prewritten computer software was shipped or, if delivered electronically, was first available for transmission by the seller.

- i. "First available for transmission" means the location from which the software originated.

(b) Sourcing of receipts from sales of services to prewritten software is governed by the following principles:

1. A retail sale of a computer-related service is sourced where the purchaser makes first use of the service. The purchaser may make first use of a service in more than one location; and

2. A retail sale of a post-sale support agreement, sold by the seller of software at the same time as the sale of the software itself, is sourced to the same address(es) as the retail sale of the underlying software.

(c) Sourcing of payments made in connection with a software term license or subscription is governed by the following principals:

1. Initial payments are sourced in the same manner as the sale of the software. (See (a) above.)

2. If the initial payment is sourced based on the location where receipt by the purchaser (or the purchaser's donee, designated as such by the purchaser) occurs, including the location indicated by instructions for delivery known to the seller, then one of the following apply:

i. If the seller receives information from the purchaser indicating that the location of the underlying software has changed, a subsequent payment made in connection with a software term license or renewal of a software subscription is sourced to such new location; or

ii. If the seller has not received information from the purchaser indicating a change in the location of the underlying software, sourcing a subsequent license payment made in connection with a software term license or the renewal of a software subscription to the same location where the initial payment was sourced will not constitute bad faith.

## SUBCHAPTER 26. SOLAR ENERGY DEVICES OR SYSTEMS; EXEMPTION FROM SALES AND USE TAXATION

### 18:24-26.1 Scope of subchapter

This subchapter is intended to clarify the application of the Sales and Use Tax Act (N.J.S.A. 54:32B-1, et seq.) to the purchase, rental, lease or use of solar energy devices or systems designed to provide heating or cooling or electrical or mechanical power by collecting and transferring solar-generated energy and including mechanical or chemical devices for storage of solar-generated energy.

### 18:24-26.2 Technical sufficiency standards of solar energy systems; devices for storing solar-generated energy

The technical sufficiency standards of solar energy systems, devices for storing solar-generated energy as established and promulgated under N.J.A.C. 14:25<sup>1</sup> by the Department of Environmental Protection and Energy shall be used to determine eligibility for exemption from sales and use tax of such solar energy systems.

Amended by R.1993 d.313, effective July 6, 1993.  
See: 25 N.J.R. 1486(a), 25 N.J.R. 2899(c).

<sup>1</sup> See N.J.A.C. 14:25-1.1 et seq.

### 18:24-26.3 (Reserved)

Repealed by R.1993 d.313, effective July 6, 1993.  
See: 25 N.J.R. 1486(a), 25 N.J.R. 2899(c).

Section was "Exemption effective on or after July 1, 1978".

### 18:24-26.4 Procedure for exemption

For purposes of exemption from tax the purchaser of a solar energy device or system shall issue to the seller an Exempt Use Certificate (Form ST-4). The certificate should indicate on its face that the purchase qualifies for exemption under the technical sufficiency standards of a solar energy system. (See N.J.A.C. 18:24-26.2.) The purchaser must insert the address of the property upon which the solar energy device or system will be installed. In those cases where the purchaser is not registered with the Division of Taxation a New Jersey tax identification number is not required. However, for purposes of verification either a Federal employer identification number, out-of-State tax identification number for businesses or a driver's license number for individuals purchasing for personal use is to be furnished.

Amended by R.2008 d.356, effective December 1, 2008.  
See: 40 N.J.R. 1777(a), 40 N.J.R. 6832(a).  
Rewrote the section.

### 18:24-26.5 Nonexempt purchases

The exemption from tax will not apply to those devices or systems for heating or cooling, electrical or mechanical power that would be required regardless of the energy source being utilized.

Amended by R.1993 d.313, effective July 6, 1993.  
See: 25 N.J.R. 1486(a), 25 N.J.R. 2899(c).

## SUBCHAPTER 27. TRANSPORTATION OF PERSONS AND OF TANGIBLE PERSONAL PROPERTY

### 18:24-27.1 Nontaxability of transportation services; exceptions

(a) Receipts from charges for the service of transporting persons or tangible personal property are exempt from sales and use tax, except as provided in (b) below.

(b) The following categories of transportation charges are not exempt from tax:

1. Delivery charges;
2. Charges for transportation services provided by a limousine operator; and
3. Charges for transportation or transmission of natural gas and electricity (utility service).

(c) Examples of nontaxable transportation services include, but are not limited to: transporting household belongings to a new home, bus rides, services provided to retailers to transport their merchandise to customers, free-floating balloon rides, document delivery services, taxi rides, transportation of mourners and of the deceased in connection with funeral services, train rides and ferry service.