

**CHAPTER 24B**  
**STREAMLINED SALES AND USE TAX**  
**RULES AND PROCEDURES**

**Authority**

N.J.S.A. 54:32B-24 and 54:50-1.

**Source and Effective Date**

R.2009 d.242, effective August 3, 2009.  
 See: 41 N.J.R. 1716(a), 41 N.J.R. 2981(b).

**Chapter Expiration Date**

In accordance with N.J.S.A. 52:14B-5.1b, Chapter 24B, Streamlined Sales and Use Tax Rules and Procedures, expires on August 3, 2016.  
 See: 43 N.J.R. 1203(a).

**Chapter Historical Note**

Chapter 24B, Streamlined Sales and Use Tax Rules and Procedures, was adopted as new rules by R.2009 d.242, effective August 3, 2009.  
 See: Source and Effective Date.

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**SUBCHAPTER 1. STREAMLINED SALES AND USE**  
**TAX RULES AND PROCEDURES**

**18:24B-1.1 Definitions**

The following words and terms, when used in this chapter, shall have the following meanings:

“Agent” means a person appointed by a seller to represent the seller before the member states.

“Agreement” or “SSUTA” means the Streamlined Sales and Use Tax Agreement.

“Certified automated system” or “CAS” means software certified under the Agreement to calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to remit to the appropriate state and maintain a record of the transaction.

“Certified service provider” or “CSP” means an agent certified under the Agreement to perform all the seller’s sales and use tax functions, other than the seller’s obligation to remit tax on its own purchases.

“Division” refers to the New Jersey Division of Taxation within the Department of the Treasury.

“Entity-based exemption” means an exemption based on who purchases the product or who sells the product. An exemption that is available to all individuals shall not be considered an entity-based exemption.

“Governing Board” refers to the Streamlined Sales Tax Governing Board, Inc., which is comprised of representatives of the states that are members of the Agreement.

“Model 1 seller” means a seller registered under the Agreement that has selected a CSP as its agent to perform all the seller’s sales and use tax functions, other than the seller’s obligation to remit tax on its own purchases.

“Model 2 seller” means a seller registered under the Agreement that has selected a CAS to perform part of its sales and use tax functions, but retains responsibility for remitting the tax.

“Model 3 seller” means a seller registered under the Agreement that has sales in at least five member states, has total annual sales revenue of at least 500 million dollars, has a proprietary system that calculates the amount of tax due each jurisdiction and has entered into a performance agreement with the member states that establishes a tax performance standard for the seller. As used in this definition, a seller includes an affiliated group of sellers using the same proprietary system.

“Model 4 seller” means a seller that is registered under the Agreement and is not a Model 1 seller, a Model 2 seller, or a Model 3 seller.

“Person” means an individual, trust, estate, fiduciary, partnership, limited liability company, limited liability partnership, corporation or any other legal entity.

“Product-based exemption” means an exemption based on the description of the product and not based on who purchases the product or how the purchaser intends to use the product.

“Purchaser” means a person to whom a sale of personal property is made or to whom a service is furnished.

“Registered under the Agreement” means registration by a seller with the member states under the central registration system provided in Article IV of the Agreement.

“Seller” means a person making sales, leases or rentals of personal property or services.

“Use-based exemption” means an exemption based on a specified use of the product by the purchaser.

Amended by R.2014 d.040, effective March 17, 2014.  
See: 45 N.J.R. 1092(a), 46 N.J.R. 552(a).

In definitions “Model 1 seller”, “Model 2 seller”, and “Model 3 seller”, inserted “registered under the Agreement”; added definition “Model 4 seller”, and in definition “Registered under the Agreement”, substituted the third occurrence of “the” for “this”.

### 18:24B-1.2 (Reserved)

Repealed by R.2014 d.040, effective March 17, 2014.  
See: 45 N.J.R. 1092(a), 46 N.J.R. 552(a).

Section was “Administration of exemptions”.

### 18:24B-1.3 Administration of tax returns

(a) Only one tax return is required to be filed for each taxing period for each seller.

(b) Returns are due on the 20th day of the month following the month in which the transaction occurred.

(c) Any Model 1, 2 or 3 seller may submit its sales and use tax returns in a simplified format that does not include more data fields than permitted by the Governing Board. Additional informational returns may be required to be submitted not more frequently than every six months under a staggered system developed by the Governing Board.

(d) Sellers that are registered under the Agreement, who do not have a legal requirement to register with the Division but voluntarily choose to register with the Division, and are not a Model 1, 2, or 3 seller, may submit its sales and use tax returns as follows:

1. Upon registration, the required returns will be provided to the seller;
2. A seller may be required to file a return anytime within one year of the month of initial registration, and future returns may be required on an annual basis in succeeding years; and
3. In addition to the returns required in subsection (d)2 above, sellers may be required to submit returns in the month following any month in which they have accumulated State and local tax funds in the amount of 1,000 dollars or more.

(e) The Division may participate with other member states in developing a more uniform sales and use tax return that, when completed, would be available to all sellers.

(f) Model 1, 2 and 3 sellers are required to file returns electronically.

### 18:24B-1.4 Rules for remittance of tax

(a) Only one remittance is required for each return, except as provided in this subsection. If any additional remittance is required, it will only be required from sellers that collect more than 30,000 dollars in sales and use taxes in New Jersey

during the preceding calendar year. The amount of the additional remittance will be determined through a calculation method rather than actual collections and will not require the filing of an additional return.

(b) Remittances from sellers under Models 1, 2 and 3 are to be remitted electronically.

(c) Electronic payments by both automated clearing house (ACH) Credit and ACH Debit are permitted.

(d) An alternative method for making “same day” payments if an electronic funds transfer fails is permitted.

(e) If a due date falls on a legal banking holiday in New Jersey, the taxes are due to on the next succeeding business day.

(f) Any data that accompanies a remittance is to be formatted using uniform tax type and payment type codes approved by the Governing Board.

### 18:24B-1.5 Certification of service providers and automated systems

(a) The Governing Board shall certify automated systems and service providers to aid in the administration of sales and use tax collections.

(b) The Governing Board may certify a person as a CSP if the person meets all of the Governing Board’s requirements.

(c) The Governing Board may certify a software program as a CAS if the Governing Board determines that the program meets all of the Governing Board’s requirements.

(d) The Governing Board may establish one or more sales tax performance standards for Model 3 sellers that meet the eligibility criteria set by the Governing Board and that developed a proprietary system to determine the amount of sales and use tax due on transactions.

Amended by R.2014 d.040, effective March 17, 2014.  
See: 45 N.J.R. 1092(a), 46 N.J.R. 552(a).

In (a), substituted “sales” for “sale”; and in (b) and (c), substituted a period for a semicolon at the end.

### 18:24B-1.6 Registration of sellers

(a) The Division in conjunction with the Governing Board shall provide an online registration system that allows sellers to register in all the member states.

(b) A seller registering under the Agreement shall be registered in each of the member states.

(c) By registering, the seller agrees to collect and remit sales and use taxes for all taxable sales into the member states, including member states joining after the seller’s registration. Withdrawal or revocation of a member state shall not relieve a seller of its responsibility to remit taxes previously or subsequently collected on behalf of the state.