

CHAPTER 36

SAVINGS INSTITUTION TAX ACT

Authority

N.J.S.A. 54:50-1, 54:10D-14, and P.L. 1979, c.160, § 4.

Source and Effective Date

R.1995 d.196, effective March 13, 1995.
See: 27 N.J.R. 479(a), 27 N.J.R. 1442(a).

Executive Order No. 66(1978) Expiration Date

Chapter 36, Savings Institution Tax Act, expires on March 13, 2000.

Chapter Historical Note

Chapter 36, Savings Institution Tax Act, became effective January 3, 1980 as R.1980 d.6. See: 11 N.J.R. 649(a), 12 N.J.R. 97(a). Pursuant to Executive Order No. 66 (1978), Chapter 36 was readopted as R.1985 d.32, effective February 4, 1985. See: 16 N.J.R. 3194(a), 17 N.J.R. 321(a). Pursuant to Executive Order No. 66 (1978), Chapter 36 expired on February 4, 1990, and subsequently was adopted as new rules by R.1990 d.181, effective March 19, 1990. See: 22 N.J.R. 161(a), 22 N.J.R. 982(a).

Pursuant to Executive Order No. 66(1978), Chapter 36 was readopted as R.1995 d.196. See: Source and Effective Date.

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SUBCHAPTER 1. GENERAL PROVISIONS

18:36-1.1 Rate of tax

For taxes due in calendar year 1980 and each year thereafter, the tax rate is three percent.

18:36-1.2 Income of certain interest or dividends

Any income received from interest or dividends on obligations or securities of the State of New Jersey, its political subdivisions and authorities, as well as obligations of any authority, commission, instrumentality or territorial possession of the United States received on or after January 1, 1979, must be included in the tax base.

18:36-1.3 Partial payments

(a) With respect to fiscal or calendar accounting years ending after September 30, 1979, every taxpayer shall pay the excise tax due and such payment shall include a partial prepayment of 80 percent of the tax liability as calculated under the provisions of the Savings Institution Tax Act.

(b) In succeeding accounting periods, taxpayer will be allowed a credit for such partial payment.

18:36-1.4 Accounting method

(a) If a taxpayer under the Savings Institution Tax Act, N.J.S.A. 54:10D-1 et seq., has distinct business activities within and outside the State of New Jersey, the taxpayer may utilize a source based method to account for income and expense attributable to activities within New Jersey and may calculate its tax based upon such method. Such method shall accurately reflect the portion of income derived from sources within New Jersey and attributable to New Jersey.

(b) For purposes of administering this section, the Director or any employee of the Division may make such review or examination of taxpayer's records, papers, vouchers, accounts and documents as may be needed to support such calculation (see N.J.S.A. 54:50-2).

18:36-1.5 Tax credit; commuter transportation benefits

Taxpayers may be eligible for a credit against tax for a portion of the cost of commuter transportation benefits for the relevant accounting or privilege period pursuant to N.J.S.A. 27:26A-15 and rules promulgated thereunder.

New Rule, R.1995 d.196, effective April 3, 1995.
See: 27 N.J.R. 479(a), 27 N.J.R. 1442(a).