

**NEW JERSEY DIVISION OF TAXATION
REGULATORY SERVICES BRANCH
TECHNICAL BULLETIN**

TB - 74

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TAX: SALES AND USE TAX

**TOPIC: TAXABILITY OF PURCHASES MADE BY MORTICIANS,
UNDERTAKERS, AND FUNERAL DIRECTORS**

The New Jersey Sales and Use Tax Act (N.J.S.A. 54:32B-1 et. seq.) imposes tax on the retail sales of tangible personal property, specified digital products, and certain services unless a valid exemption exists. N.J.S.A. 54:32B-3. Whenever taxable tangible personal property, specified digital products, or certain services are purchased and no sales tax is collected or sales tax is collected at a rate less than the applicable New Jersey rate, the purchaser must remit use tax to the State. N.J.S.A. 54:32B-6.

Receipts from sales of tangible personal property, such as caskets and other funeral items sold by morticians, undertakers, and funeral directors are exempt from tax under the Sales and Use Tax Act. N.J.S.A. 54:32B-8.17. In addition, charges for funeral services are not subject to sales tax. However, except as otherwise provided by law, morticians, undertakers, and funeral directors located in New Jersey are required to pay sales or use tax on all purchases of tangible personal property, specified digital products, and certain services, for use in conducting funerals, as they are the ultimate consumers of such products. N.J.S.A. 54:32B-3; N.J.S.A. 54:32B-8.17.

The following is a list of common business purchases, with an indication of whether the item is taxable (T) or exempt (E) from sales and use tax:

Advertising

- Creative services (separately stated on bill) E
- Media buys (ad time or space) E
- Tangible personal property produced for advertising purposes
such as posters T

Accounting Services

- Professional Services (e.g. bookkeeping services) E
- Electronic Filing Charges T

Answering Machines T

Answering Service T

Artwork T

Awnings T

Books T

Bookmarks	T
Building Maintenance/Repair	T
Business Cards	T
Business Forms	T
Business/Restaurant Meals	T
Cabinets (used for supply storage)	T
Calendars	T
Capital Improvements	
- Generally	E
- Landscaping	T
- Installation of floor coverings and alarms and security systems	T
Catering Services	T
Chairs and Chair Covers	T
Cleaning Services (janitorial)	T
Cleaning Supplies	T
Computer Equipment (e.g. computers, printers, copiers, faxes)	T
Computer Disks, CDs, DVDs and USB Drives	T
Desk and Door Signs	T
Disaster Kits	T
Display Cabinets	T
Disposable Paper Products (e.g. towels, napkins, toilet tissue, paper plates, and paper cups)	T
Diverter (device that re-directs phone calls to a landline or mobile phone so urgent messages are not missed)	T
Document Portfolios	T
Door Mats	T
Equipment Maintenance/Repair (including warranties purchased for repair and maintenance)	T
Elevator Repair	T
Envelopes	T
Fans	T
Floor Lamps	T
Flowers and Gifts	T
Furniture	T
Garbage Removal	
- Contractual (30 days or more)	E
- Non-Contractual	T
Heating Oil	E
Laminating Services	T
Lamps and Shades	T
Lawn Equipment	
- Lawnmowers	T
- Rakes	T
- Shovels	T
- Sprinklers	T
Legal Services	E

Ledger Books	T
Lights and Bulbs	T
Magazines purchased for waiting areas/client use	
- Purchased as single copies	T
- Purchased as subscriptions	E
Office Equipment (e.g. overhead projectors, telephones, teleconferencing equipment)	T
Office Supplies (e.g. ink, paper, toner)	T
Paging System	T
Payment Coupon Books	T
Photocopying and Printing Charges	T
Postage	E
Prewritten Computer Software for exclusive business use (transferred in physical medium or “Load and Leave” format)	T
Prewritten Computer Software for exclusive business use (electronically delivered)	E
Prewritten Computer Software (installation, maintenance and service contracts)	T
Printing	T
Protective Work-Wear	E
Racks for Coats and Hats	T
Record Books	T
Shipping Trays	T
Signs	T
Snow Removal	T
Stationery	T
Storage Services	T
Telecommunication Services	T
Tires	T
Utility Service (e.g. gas and electricity)	T
Water and Sewer Bill	E

The following is a list of items commonly purchased by morticians, undertakers or funeral directors, with an indication of whether the item is taxable (T) or exempt (E) from sales tax and use tax.

Air Purifiers Including Casing and Trays	T
Air Transportation	
- Cases	T
- Trays	T
Announcement Boards	T
Aprons	E
Badger Cases (used to ship or transport a corpse)	T
Blankets	T
Blocks/Rests	T

Body Bags	T
Body Boards	T
Body Carriers	T
Body Lifters	T
Body Scoops (mechanical device used to lift and transport a corpse)	T
Body Transfer Cases	T
Burial Clothes	E
Calvarium Clamps (used to re-attach portions of the skull removed for autopsy or other reasons)	T
Candelabra	T
Candles	T
Carillons (musical instrument composed of bells and arranged to produce harmony)	T
Car Stickers for Funeral Procession	T
Caskets	
- Dollies	T
- Pads	T
- Placers	T
- Protectors	T
- Racks	T
- Stands	T
- Shells	T
- Tables	T
Chapel Set-up at Funeral Home	T
Chemicals	T
Coffins	T
Coolers	T
Cosmetic Supplies	T
Cot	T
Cremation	
- Equipment	T
- Cartons	T
- Chambers	T
- Containers	T
- Rollers	T
- Trays	T
- Urns	T
Crosses	T
Crucifix	T
Crypts	
- Fasteners	T
- Fronts	T
- Sealer	T
Dental Simulators (bone wax and putties for alteration of corpse's facial forms)	T
Deodorants	T
Dirt Wagon	T

Draperies	
- Auto	T
- Funeral Home	T
Embalmer	
- Fluids	T
- Instruments	T
- Supplies	T
Engraving Machine and Supplies	T
Expression Formers	T
Eye Caps	T
Flag Cases	T
Fasteners	T
Poles – not installed	T
Floral	
- Cabinets	T
- Stands	T
- Displays	T
- Boutonnieres	T
Flow Meter (used to measure fluid pumped into corpse)	T
Form Concrete (used for burial vaults)	T
Fountains – not installed	T
Furniture and Furnishings for Funeral Home	T
Germicides	T
Gloves	E
Grass (artificial) Used to Cover a Grave	T
Grave Material, Supplies, and Equipment	
- Spray	T
- Arch boards	T
- Digging machines	T
- Liners	T
- Locator	T
- Lot markers	T
- Markers	T
- Thawer	T
Hand Trucks	T
Head Rest	T
Hearse	T
Hoists	T
Identification Tags	T
Imprinting Machines	T
Injector Needles	T
Jewelry	T
Lapel Buttons/Pins	T
Lecterns	T
Lifts	
- Body	T

- Casket	T
Limousine	T
Limousine Service Used in Connection with Mortuary and Funeral Services	E
Lowering Devices	T
Mass Card Holders	T
Mass and Prayer Cards	T
Matting (wrapping used to prepare corpse for burial)	T
Mausoleum	T
Memorials	
- Books	T
- Cards	T
- Cases	T
- Folders	T
- Markers	T
- Flag cases	T
- Picture frames	T
- Portraits	T
- Trees	T
Monuments	T
Monument Illuminator	T
Mortuary Cot Covers (used to cover a corpse being moved)	T
Name Plates	T
Odor Control	T
Parking	
- Signs	T
- Cones	T
Partitions (for mortuary cold rooms)	T
Pillows and Pillowcases	T
Plaques	T
Pouches	T
Prayer Rails and Kneelers	T
Refrigeration Units	T
Register Stands	T
Ropes and Stands	T
Rosaries	T
Sirens	T
Smelling Salts	T
Stained Glass	T
Stretchers	
- Pads	T
- Covers	T
Tents	
- Awnings	T
- Tarps	T
- Repairs	T
Trocar Button	T

Umbrellas	T
Vases	T
Wreaths	T

Remitting Use Tax

Morticians, undertakers, and funeral directors may report and remit any use tax due on the Annual Business Use Tax Return ([Form ST-18B](#)). However, if the average annual use tax liability for the last three calendar years exceeds \$2,000.00, the business must change its registration to include sales tax eligibility and must begin to file quarterly/monthly sales and use tax returns by filing [Forms ST-50/51](#). For more information on use tax and filing Forms ST-18, ST-18B, and ST-50/51, see Tax Topic Bulletins [S&U-7, Filing Sales and Use Tax Returns](#), and [ANJ-7, Use Tax in New Jersey](#).

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