

**State of New Jersey
Department of the Treasury
Division of Taxation**



Procedure for Dissolution, Cancellation, or Withdrawal

Step 1

Corporations ending business in New Jersey can dissolve, cancel, or withdraw online. Go to njportal.com/dor/annualreports and select "Close a Business." Businesses that choose to complete a paper application must submit all of the following:

- Appropriate dissolution/withdrawal/cancellation form. The corporate structure determines the proper form; and
 - Application for Tax Clearance Certificate ([Form A-5088-TC](#)); and
 - Payment of \$120 (\$95 dissolution fee and \$25 tax clearance certificate application fee); and
 - Estimated Summary Tax Return ([Form A-5052-TC](#)) with schedules completed on an estimated basis for the current period, along with the required affidavit and a separate payment for any taxes due (see Estimated Summary Tax Return below).
- Note:** Taxpayers that are included as members on a combined Corporation Business Tax (CBT) return are not required to report and/or remit an estimated CBT liability. The taxpayer will certify that they are currently filing and will be filing as part of a combined return up to the date of dissolution or withdrawal and provide the name of the managerial member of the combined return along with their NU filing number.

Corporations filing by paper have the following options for submitting documents and payments:

By mail: New Jersey Division of Revenue and Enterprise Services
Business Liquidations
PO Box 308
Trenton, NJ 08625-0308

Over-the-counter or by courier:
New Jersey Division of Revenue and Enterprise Services
33 West State Street, 5th floor
Trenton, NJ 08608
Attn: Business Liquidations

Estimated Summary Tax Return ([Form A-5052-TC](#)). For Schedule I of the Estimated Summary Tax Return, estimate entire net income from the day following the last accounting period for which the return is required to be filed to the proposed date dissolution, cancellation, or withdrawal will be completed. Include all profits from the sale or exchange of capital or other assets if required to be reported for federal income tax purposes. If certain gains or income are not recognized for federal income tax purposes, submit proof of compliance with federal requirements. Submit copies of federal Forms 966, 1120, and any other required schedule or data. In addition, provide a copy of corporate minutes authorizing dissolution with liquidation and distribution of assets or a copy of the plan of liquidation if not included in the corporate minutes.

The Estimated Summary Tax Return must be accompanied by a deposit payment unless the application is submitted with an Assumption of Tax Liability for all taxes due. The Assumption of Tax Liability must be executed by a domestic corporation or a foreign corporation authorized to do business in New Jersey that meets one or more of the following requirements:

1. A corporation that owns 50% or more of the applicant's outstanding shares of capital stock; or
2. A corporation that has purchased or is about to purchase all, or substantially all, of the applicant's assets; or
3. A corporation that has a net worth not less than 10 times the amount of all taxes paid by the applicant corporation during the last complete year in which it filed tax returns with the State of New Jersey. The assuming corporation must attach to the assumption a balance sheet as of the end of its last accounting period along with a notarized statement that there has been no subsequent decrease in the assuming corporation's net worth.

Note: The assumption of liability by a corporation qualifying under 1 or 2 above must be accompanied by an opinion by an attorney-at-law of the State of New Jersey, who states they are familiar with the facts of the transaction and that the requirements for the exception have been met.

Step 2

The corporation must file returns for all years and/or periods for all its taxes (Corporation Business Tax, Sales and Use Tax, Gross Income Tax withheld, etc.) for which returns were due but not filed, and pay any amounts due.

Step 3

If all tax obligations have been satisfied, the Division of Taxation issues a Tax Clearance Certificate for the corporation to the Division of Revenue and Enterprise Services. The effective date of the dissolution is the date the Division of Revenue and Enterprise Services receives the Tax Clearance Certificate.

Step 4

Final returns (Corporation Business Tax, Sales and Use Tax, Gross Income Tax withheld, etc.) must be filed within 30 days of the date of dissolution or withdrawal or within 30 days of the Division's online filing system becoming available for the final period. The returns will show actual figures and cover the current accounting and/or reporting periods to the legal date of dissolution or withdrawal. No separate entity CBT return is required for members included in a combined CBT group filing.

FAILURE TO COMPLY WITH THE ABOVE WILL RESULT IN FORFEITURE OF ALL FEES.

Procedure for Merger or Consolidation (Required Only When Survivor is a Foreign Nonauthorized Corporation)

When the survivor is a foreign nonauthorized corporation, the merger or consolidation can be completed online at njportal.com/dor/businessamendments. Businesses that choose to file by paper must complete the following steps:

Step 1

Corporations merging or consolidating must submit the following:

- Application for Tax Clearance Certificate ([Form A-5088-TC](#)) for all corporations (including the nonauthorized survivor, merging nonsurvivors, and merging nonauthorized corporations) involved in the merger; and
- Application fee of \$25 for each certificate requested; and
- An affidavit, duly signed and sworn to by an officer of the corporation, for each nonauthorized corporation, including the survivor, stating whether the applying corporation at any time maintained an office, conducted business, employed or owned capital in New Jersey, or derived income from any source within New Jersey; and
- For foreign corporations that have already merged in their State of domicile, a certified or true copy of the Certificate of Merger issued by the Secretary of State of the state of domicile; and
- Estimated Summary Tax Return ([Form A-5052-TC](#)) with schedules completed on an estimated basis for the current period, along with the required affidavit and a separate payment for any taxes due (see Estimated Summary Tax Return on page 1) for each corporation.

Mail documents and payments to:

New Jersey Division of Taxation
Corporate Services Audit Group A
PO Box 269
Trenton, NJ 08695-0269

Step 2

File returns for each corporation for all years and/or periods for all taxes (Corporation Business Tax, Sales and Use Tax, Gross Income Tax withheld, etc.) for which returns were due but not filed, and pay any amounts due.

Step 3

File Tax Clearance Certificates and Agreement of Merger, together with requisite fees, no later than the expiration date indicated on the Tax Clearance Certificate in order to complete the merger.

By mail:

New Jersey Division of Revenue and Enterprise Services
PO Box 308
Trenton, NJ 08625-0308

Hand delivery (in person or by express delivery service):

New Jersey Division of Revenue and Enterprise Services
33 West State Street, 5th floor
Trenton, NJ 08608

For additional information regarding this aspect, contact the New Jersey Division of Revenue and Enterprise Services, Business Liquidations, PO Box 308, Trenton, NJ 08625-0308.

Step 4

Final short-period returns (Corporation Business Tax, Sales and Use Tax, Gross Income Tax withheld, etc.) must be filed for each corporation involved in the merger within 30 days from the date the Certificate of Merger or Consolidation is filed with the Office of the Treasurer. The returns will show actual figures and cover the current accounting and/or reporting periods.

Procedure for Reauthorization of a Revoked Certificate of Authority

A voided or revoked Certificate of Authority can be reauthorized through the Division of Revenue and Enterprise Services' (DORES) online reinstatement service at njportal.com/dor/annualreports. Select "Reinstate a Business Entity."

The Division of Taxation will review your application and notify you of any outstanding tax liabilities or debts. Once the tax liabilities and debts have been satisfied, a tax clearance certificate will be issued by the Division of Taxation, and your business will be reinstated by DORES.