

State of New Jersey  
Division of Taxation  
**SPILL COMPENSATION AND CONTROL TAX  
RECONCILIATION FORM**

For Taxable Periods Beginning on and After July 21, 1990

READ THE INSTRUCTIONS ON THE REVERSE SIDE BEFORE COMPLETING THIS FORM

This form is being filed along with the return covering the taxable month of \_\_\_\_\_ MONTH \_\_\_\_\_ YEAR

Name of Taxpayer \_\_\_\_\_ Federal Identificaiton No. \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Date of first taxable transfer in New Jersey (from Line 18 on the Registration Form, SCC-1) \_\_\_\_\_ MONTH \_\_\_\_\_ DAY \_\_\_\_\_ YEAR

If registered during 1986, enter the first month a tax return was filed \_\_\_\_\_

**PART I** **LIMITATION ON CURRENT CALENDAR YEAR**  
**TAXES DUE AND PAYABLE FOR 1986 REGISTRANTS**

1. Total taxes due and payable during the 1986 calendar year. *Do Not Include* taxes paid in 1986 for any qualified hazardous substance claimed in Part II below. Include tax payments made on return due January 20, 1986 covering December 1985 taxable transfers but do not include tax payments made on return due January 20, 1987 covering December 1986 taxable transfers. (Part year taxpayers refer to instruction 4) . . . . . \_\_\_\_\_
2. Enter the number of barrels of hazardous substances subject to tax for the same period described above . . . . . \_\_\_\_\_
3. Multiply Line 2 by \$.0025 and enter result here . . . . . \_\_\_\_\_
4. Add the amounts on Lines 1 and 3 and enter result here . . . . . \_\_\_\_\_
5. Multiply Line 4 by 125% (1.25) and enter limitation here . . . . . \_\_\_\_\_
6. Enter the total taxes paid to date during the current calendar year. Include the amount of any tax payment required to be made with the current tax return. *Do Not Include* any tax payments made in the current calendar year for any qualified hazardous substances claimed in Part II below . . . . . \_\_\_\_\_
7. Subtract Line 6 from Line 5. If Line 7 is greater than zero, *Do Not* file this form. If Line 7 is less than zero, enter this amount on Line 14 of Form SCC-5. . . . . \_\_\_\_\_

**PART II** **LIMITATION ON CURRENT CALENDAR YEAR**  
**TAXES DUE AND PAYABLE ON QUALIFIED HAZARDOUS SUBSTANCES**

1. Name and C.A.S. # of claimed hazardous substance \_\_\_\_\_
2. Name of nonhazardous final product manufactured by taxpayer \_\_\_\_\_
3. Percent by weight of claimed hazardous substance used in the manufacture of the nonhazardous final product . . . . . \_\_\_\_\_
4. Total amount of taxes paid on claimed hazardous substance during the 1986 calendar year. Include tax payments made on return due January 20, 1986 covering December 1985 taxable transfers but do not include tax payments made on return due January 20, 1987 covering December 1986 taxable transfers. (Part year taxpayers refer to instruction 4) . . . . . \_\_\_\_\_
5. Enter the number of barrels of claimed hazardous substance subject to tax for the same period described above . . . . . \_\_\_\_\_
6. Multiply Line 5 by \$.0025 and enter result here . . . . . \_\_\_\_\_
7. Add the amounts on Lines 4 and 6 and enter limitation here . . . . . \_\_\_\_\_
8. Total amount of taxes paid to date on claimed hazardous substance during the current calendar year. Include the amount of any tax payment required to be made with the current tax return . . . . . \_\_\_\_\_
9. Subtract Line 8 from Line 7. If Line 9 is greater the an zero, *Do Not* file this form. If Line 9 is less than zero, enter this amount on Line 11A, B or C of Form SCC-5 . . . . . \_\_\_\_\_

Under penalty of perjury, I declare that the above information is true, complete, and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

File this form along with your Spill  
Compensation and Control Tax Return.

MAIL TO:  
**State of New Jersey, SCC**  
**PO Box 265**  
**Trenton, NJ 08695-0265**

**FORM SCC-8 RECONCILIATION FORM**  
**GENERAL INSTRUCTIONS**

1. **Who May Use Form SCC-8** -The reconciliation form is applicable to, and can only be used by, any registrant under the Spill Compensation and Control tax who incurred a tax liability and made payment thereon for calendar year 1986.
2. **Validity of the Tax** - The amount of tax due and payable by a taxpayer during the 1986 tax year cannot be reduced due to any individual taxpayer's interpretation of court decisions regarding the validity of the New Jersey Spill Compensation and Control Act or the tax imposed thereunder.
3. **"Cap Year" Defined** - Both the 125% "cap" and the 100% "cap" are calculated on payments made during a calendar year. For any year, the "cap" year begins with the tax payments made in January for a December return period and extends for 12 months to the December payment for a November return period. "Capped" taxpayers must pay the tax on the subsequent December return due in January as this starts a new "cap year".
4. **Individual Taxpayer Defined** - An "individual taxpayer" shall mean any facility registered for the spill tax during the 1986 calendar year. Corporate entities that chose to maintain separate (or combined) registrations for their multiple facilities during the 1986 calendar year are precluded from consolidating (or separating) their facilities for registration and filing purposes for 1987 or subsequent years. If the "individual taxpayer" entitled to the cap ceases to exist as a corporate entity due to a merger, consolidation, or other corporate reformation resulting in a new legal entity it loses its qualification as a capped taxpayer.
5. **1986 Part Year Taxpayer** - The tax payment limitation for 1986 registrants is determined on an annual basis. If the taxpayer had a short taxable year for 1986, i.e., he incurred a tax liability and made payment thereon for only part of the 1986 calendar year, qualification for the tax payment limitation is determined by projecting taxes due during the taxpayer's short taxable period over twelve months.

**Example:** ABC Petroleum Company initially qualified as a major facility and, therefore, became subject to the tax on September 15, 1986. ABC filed a tax return in October for the short September tax period, in November for the complete month of October and in December for the complete month of November, and reported the information listed below on these returns. (The return filed in January 1987 along with any remittance for the December 1986 tax period was due and payable during 1987 and, therefore, not considered a calendar year 1986 tax payment.)

ABC must compute the average number of barrels per month and the average amount of tax paid per month for all complete months for which a return was due. Multiply these amounts by 12 to project yearly totals. The projected yearly totals will then be used to determine the limitation amount for 1987 and subsequent year's tax payments.

<u>Month</u>	<u>Barrels Reported</u>	<u>Amount Paid</u>
October	(Short month not included in computation)	
November	1,200,000	\$12,000
December	<u>1,800,000</u>	<u>\$18,000</u>
Total	3,000,000	\$30,000
	<u>÷ 2</u>	<u>÷ 2</u>
Average	1,500,000	\$15,000
	<u>x 12</u>	<u>x 12</u>
1986 Projection	18,000,000	\$180,000
	<u>x \$.0025</u>	
	\$45,000	
<u>Limitation Amount</u>	$\$45,000 + \$18,000 = \$225,000 \times 125\% = \underline{\underline{\$281,250}}$	

6. **"Taxes Due and Payable" or "Taxes Paid"** - Do not include as "taxes due and payable" or "taxes paid" on lines 1 and 6 of Part 1 and lines 4 and 8 of Part II, any penalty or interest payments made or tax payments made and subsequently refunded.
7. **PART I Limitation on Current Calendar Year Taxes Due and Payable for 1986 Registrants -**  
The total aggregate tax due for any taxpayer which has paid the tax for the 1986 tax year is equal to 125% of the tax due and payable by that taxpayer during the 1986 tax year plus \$0.0025 per barrel of hazardous substances subject to tax. Enter the information requested on lines 1 through 7 in order to discontinue payment of tax for the current calendar year.
8. **PART II Limitation on Current Calendar Year Taxes Due and Payable on Qualified Hazardous Substances -**  
Taxpayers who qualify for the 1986 calendar year tax payment limitation may also qualify for a cap of 100% of the tax due and payable in the 1986 tax year plus \$0.0025 per barrel for certain qualified hazardous substances. Hazardous substances qualifying for this cap are those hazardous substances for which tax has been paid by the taxpayer on their transfer to or from the taxpayer's facility and which were used by the taxpayer as an ingredient, comprising at least 90% by weight, in the manufacture of a nonhazardous final product.

Complete the information requested on lines 1 through 9 for each column separately in order to discontinue payment on transfers of qualified hazardous substances. Attach a rider if additional space is needed.

**NOTE:** Although the payment of tax may not be required to be remitted after either of the limitations in Part I or Part II is met, the taxpayer is still required to complete the information requested on lines 1 through 13 of the remaining monthly tax returns and file them with the Division of Taxation on or before the original due dates for filing.