

# New Jersey State Tax news

Volume 39, Number 3  
Fall 2010

A Quarterly Newsletter

ISSN 1073-6808



## inside

<i>budget funds homestead benefits</i> .....	1
<i>estate tax circular computations</i> .....	2
<i>motor fuel tax act legislative changes</i> .....	3
<i>small business workshops</i> .....	3
<i>ui/di tax amnesty</i> .....	4
<i>ny/nj cooperative interstate tax program</i> .....	4
<i>tax assessor certificates</i> .....	4
<i>tax assessors' calendar</i> .....	5
<i>interest rate 6.25%</i> .....	5
<i>criminal enforcement</i> .....	6
<i>public auction information</i> .....	6
<i>enforcement summary stats</i> .....	6
<i>sales tax information</i> .....	8
<i>tax briefs</i> .....	8
<i>current amnesty programs</i> .....	10
<i>in our courts</i> .....	11
<i>in our legislature</i> .....	14
<i>tax calendar</i> .....	14
<i>important phone numbers</i> .....	15

## Budget Funds Homestead Benefits

The State Budget for fiscal year 2011 (which began on July 1, 2010) provides funding for the Homestead Benefit (formerly Homestead Rebate) Program. However, for 2009, eligibility and benefit amounts for homeowners are limited based on income, and benefits will not be paid to tenants. The Budget also requires that the benefit for homeowners be based on 2006 property taxes.

Instead of receiving a rebate check (or direct deposit) as in previous years, eligible homeowners will receive their homestead benefit for 2009 as a one-time credit on the property tax bill for the second quarter of 2011.

### Who is Eligible

Homeowners who occupied their principal residence in New Jersey on October 1, 2009, and who paid property taxes on that dwelling, are eligible for a 2009 homestead benefit, provided that their gross income for the entire year does not exceed the applicable income limit: \$150,000 for homeowners age 65 or older or disabled and \$75,000 for homeowners under age 65 and not disabled. Under the terms of the Budget, no benefits will be issued to tenants.

### Benefit Amounts

Benefit amounts are determined by income, filing status, amount of property taxes paid, and whether the

applicant was 65 or older or eligible to claim an exemption as blind or disabled for the tax year.

Amounts received under the Homestead Benefit Program are in addition to the State's other property tax relief programs. The total amount of all property tax relief benefits received (homestead benefit, property tax reimbursement, property tax deduction for senior citizens/disabled persons, and property tax deduction for veterans) cannot exceed the amount of property taxes paid on the applicant's principal residence for the same year.

The State Budget requires that the 2009 benefit be based on 2006 property taxes. For purposes of calculating the 2009 benefit, the 2006 property taxes for the dwelling that was the applicant's principal residence on October 1, 2009, will be used. If no property taxes were assessed on that dwelling for 2006, the Division of Taxation will determine the amount of property taxes that would have been due for 2006.

Under the terms of the Budget, 2009 benefit amounts, when annualized, will be no greater than those paid for 2006 (when rebates were also based on 2006 property taxes) unless there has been a change in an applicant's filing characteristics. "Filing characteristics" means a reduction in income range, a change in age/disability status or marital status, or an increase in percentage of ownership.

*continued on page 2*

*homestead benefits - from page 1*

Homeowners age 65 or older or disabled on December 31, 2009, will calculate the amount of their benefit as follows:

Step 1: Multiply the amount of 2006 property taxes (up to \$10,000) by the applicable percentage (20% if 2009 New Jersey gross income is \$100,000 or less; 10% if income is over \$100,000 but not over \$150,000).

Step 2: Divide the result of the Step 1 calculation by 4.

Homeowners under age 65 and not disabled on December 31, 2009, will calculate the amount of their benefit as follows:

Step 1: Multiply the amount of 2006 property taxes (up to \$10,000) by the applicable percentage (20% if 2009 New Jersey gross income is \$50,000 or less; 13.34% if income is over \$50,000 but not over \$75,000).

Step 2: Divide the result of the Step 1 calculation by 4.

### **How to Apply**

The 2009 homestead benefit applications were mailed in September. The filing deadline for all eligible homeowners is November 1, 2010.

Most homeowners can file their applications [online](#) or by phone by calling 1-877-658-2972.

### **Homestead Benefit Payment**

After April 1, 2011, eligible homeowners can expect to receive a revised property tax bill or advice copy from their tax collector that will reflect the amount of the benefit.

However, any homestead benefit for which homeowners are eligible will be issued in the form of a check (or direct deposit) on or after May 1, 2011, if (1) their principal residence was a unit in a co-op or continuing care retirement community or (2) they stated in their application that they no longer own the property that was their principal residence on October 1, 2009.

More information on the Homestead Benefit Program is available at: [www.state.nj.us/treasury/taxation/2009homesteadinfo.shtml](http://www.state.nj.us/treasury/taxation/2009homesteadinfo.shtml)



## **INHERITANCE/ESTATE TAX Estate Tax Circular Computations**

The New Jersey estate tax is imposed upon the transfer of the estate of every resident decedent dying after December 31, 2001, which would have been subject to Federal estate tax under the provisions of the Internal Revenue Code (IRC) of 1986 (26 U.S.C. §1, et seq.) in effect on December 31, 2001. The amount of the New Jersey estate tax is either (1) the maximum credit that would have been allowable under the provisions of the IRC in effect on December 31, 2001, against the Federal estate tax that would have been payable under the provisions of the IRC in effect on December 31, 2001, on account of taxes paid to any state or territory of the United States or the District of Columbia or (2) determined pursuant to the simplified tax system prescribed by the Director of the Division of Taxation.

The New Jersey Tax and Superior Courts in the *Oberhand* case ruled that transactions should be taxed as they occurred. The New Jersey estate

*continued on page 3*

## **New Jersey State Tax news**

is published quarterly by the:

**New Jersey Division of Taxation  
Technical Services  
Information & Publications Branch  
PO Box 281  
Trenton, NJ 08695-0281**

The *State Tax News* is published on the Division of Taxation's Web site at:

[www.state.nj.us/treasury/taxation/publnews.shtml](http://www.state.nj.us/treasury/taxation/publnews.shtml)

Subscribe to *NJ Tax E-News* on our Web site to be notified when new issues become available.

This publication is designed to keep taxpayers, tax practitioners, and the general public informed of developments, problems, questions, and matters of general interest concerning New Jersey tax law, policy, and procedure. The articles in this newsletter are not designed to address complex issues in detail, and they are not a substitute for New Jersey tax laws and/or regulations.

**Division of Taxation  
Acting Director: Michael J. Bryan**

**News Coordinators for This Issue:**

<i>Audit</i>	Peggy Cook
<i>Compliance</i>	Marita Sciarrotta
<i>Criminal Investigation</i>	Lee Roach
<i>Conference and Appeals</i>	Paul Provost
<i>Legislation</i>	John Kelly
<i>Property Admin.</i>	Michael Vrancik
<i>Regulatory Services</i>	Dorothy Aicher

**Contributors:** Pamela Allen, Marlene Barnhart, Beth A. Berniker, William G. Bittner, Thaedra Chebra, Kevin Curry, Kerry Czymek, Gary DalCorso, Eric Friedmann, Russell Glenn, Debra Lewaine, Marijane LaMattina, Maryanna Paolinie, Charles Peters, Mitch Smith, Bruce Stuck, and Fred Wagner.

**Staff:** J. Donald Byrnes, Lauren D. Higgins, Terry A. McWilliams, Sara E. Murphey, Erin J. Toth, Kelly J. Warboys.

**Editor:** Sheri B. Silverstein



*estate tax computations - from page 2*

tax is based on estate distributions as governed by the laws in effect on the decedent's date of death. The Director's responsibility is to determine estate distributions under the law in effect on the date of death and apply to those distributions the Federal estate tax law in effect on December 31, 2001.

The New Jersey estate tax is based on the Federal credit that would have been allowable for state death taxes under the provisions of the IRC in effect on December 31, 2001. This credit is computed on the Federal taxable estate as determined under the provisions of the 2001 IRC. If the Federal and New Jersey estate taxes that would have been payable under the provisions of the IRC in effect on December 31, 2001, would have been paid out of property for which a marital or charitable estate tax deduction would otherwise have been allowed, then the amount of the marital or charitable deduction must be reduced for the amount of such tax. The deduction cannot be greater than the amount that would have passed to a surviving spouse or charity. This results in a circular or interrelated computation as the reduction in the marital or charitable deduction in turn increases the taxable estate. This increase in the taxable estate

results in an increase in tax. The increase in tax again reduces the marital or charitable deduction and so forth. The calculation must be run until the reduction in the marital or charitable deduction equals the State and Federal taxes.

Although the circular or interrelated computation existed prior to January 1, 2002, it was not a matter which generally concerned the Division. Prior to that date, the New Jersey estate tax was essentially a "sponge tax" whose function was to absorb the allowable credit for state death taxes as determined in the Federal estate tax proceeding. The circular or interrelated computation was made and verified by the Internal Revenue Service. Since the New Jersey estate tax decoupled from the Federal estate tax in 2002 and is now a "stand-alone" tax, the computation is a matter which concerns the Division.

In order to determine the Federal credit for state death taxes that would have been allowable under the provisions of the IRC in effect on December 31, 2001, the taxable estate, Federal estate tax, and marital or charitable deduction under the provisions of the 2001 IRC must also be determined as they are all interrelated with and impact the credit.

**Example 1**

Taxable estate in the amount of \$2 million of which XYZ Corporation stock valued at \$1 million passes to the decedent's children with the residue of the estate passing to charity. The decedent's will provides that taxes are not to be paid from the residue.

Amount Passing to Charity	\$1,000,000
Charitable Deduction	1,000,000
Taxable Estate	1,000,000
Federal Tax Before State	
Death Tax Credit	125,250
State Death Tax Credit	33,200
Net Federal Tax	92,050

**Example 2**

Same situation as above except that the decedent's will provides that taxes are to be paid from the residue.

Amount Passing to Charity (before taxes)	\$1,000,000
Charitable deduction (after taxes)	787,712
Taxable Estate	1,212,288
Federal Tax Before State	
Death Tax Credit	212,288
State Death Tax Credit	45,986
Net Federal Tax	166,302

A circular or interrelated computation may be complex. Various programs have been developed by software companies to make this calculation. Upon request, the Division of Taxation will provide the taxpayer with assistance in making the computation. The Inheritance and Estate Tax Section may be contacted by phone at 609-292-5033 or by mail at Division of Taxation, Inheritance and Estate Tax, P.O. Box 249, Trenton, New Jersey 08695-0249. □

**Motor Fuel Tax Act Legislative Changes  
Effective January 1, 2011**

P.L. 2010, c.22, the Motor Fuel Tax Act, repeals prior motor fuels tax legislation and makes changes in the licensing requirements for the motor fuel taxes as well as the requirements for the reporting, imposition, and collection of the taxes. P.L. 2010, c.79, makes technical corrections and delays the effective date of the new motor fuel law established in Chapter 22, P.L. 2010, from October 1, 2010, to January 1, 2011.

For more information, visit the Division's Web site at: [www.state.nj.us/treasury/taxation/motorfuels.shtml](http://www.state.nj.us/treasury/taxation/motorfuels.shtml)

**Small Business  
Workshops**

The Division of Taxation periodically conducts free workshops throughout New Jersey designed to

*continued on page 4*



*small bus. workshops - from pg. 3*

help small businesses better understand their State tax obligations. The seminars are a half day in duration and cover the following topics:

- Business registration
- Meeting employer responsibilities
- Reporting business income
- Filing sales and use tax returns

For more information, including the current workshop schedule, visit the Division's Web site at: [www.state.nj.us/treasury/taxation/smallbus.shtml](http://www.state.nj.us/treasury/taxation/smallbus.shtml) □

### **UI/DI Tax Amnesty**

The New Jersey Department of Labor and Workforce Development will be offering tax amnesty to employers subject to the New Jersey unemployment compensation and temporary disability laws. The tax amnesty offer covers unemployment, disability, workforce, healthcare, and family leave insurance contributions due for the first quarter of 2005 through the fourth quarter of 2009. The amnesty offer does not include gross income tax, sales tax, or any other taxes due

to the Division of Taxation. Also, the amnesty offer does not include liabilities due for quarters prior to the first quarter of 2005 and after the fourth quarter of 2009.

For more information, visit the Department of Labor and Workforce Development's Web site at: <http://lwd.dol.state.nj.us/labor/employer/ea/empinfo/uiditaxamnesty.html> □

### **LOCAL PROPERTY TAX Tax Assessor Certificates**

The Tax Assessor Examination is held in accordance with the Assessor Certification and Tenure Act, requiring anyone taking office as a tax assessor after July 1, 1971, to hold a tax assessor certificate.

Twenty-two persons passed the March 27, 2010, C.T.A. exam. They are:

**Bergen County:** Mary Ann Maiorana, Cliffside Park Borough.

**Burlington County:** James Andrew Duda II, Delran Township; Justin C. Vining Jr., Burlington City.

**Gloucester County:** Kathleen S. Hill, Greenwich Township.

**Hunterdon County:** Gwen M. Caiella, Alexandria Township.

**Middlesex County:** James Louis Meehan, Woodbridge Township; Ryan Riccio, East Brunswick Township.

**Monmouth County:** John Francis Cattanach, Manasquan Borough; Debra J. Conley, Ocean Township; Daniel M. Kelly, Little Silver Borough.

**Morris County:** Raymond Tighe, Kinnelon Borough.

**Ocean County:** Angela R. Ilaria, Lacey Township; Cassandra E. Johnson, Brick Township; Peter A. Maher, Jackson Township; Bradley R. Millman, Brick Township; Christian A. Napolitano, Jr., Berkeley Township; Veronica L. Schenk, Jackson Township; Chelsea E. Skuby, Brick Township.

**Passaic County:** Richard S. Marra, Hawthorne Borough; Jay R. Schwartz, Little Falls Township.

**Union County:** Howard A. Andrews, Roselle Borough; Susana Borgia, Elizabeth City.

The next C.T.A. examination is scheduled for March 26, 2011. The deadline to file applications for this exam is February 24, 2011. The filing fee is \$10. If you have any questions regarding this exam, please contact Anna Auletta-Smilek at 609-292-7813 or write to Property Administration, PO Box 251, Trenton, NJ 08695-0251.

The Application for Admission to a Tax Assessor Certification Exam,

*continued on page 5*

### **NY/NJ Cooperative Interstate Tax Program**

The 1986 Reciprocal Agreement between the State of New Jersey and the State of New York providing Cooperative Tax Administration is ending. As a result, New Jersey vendors participating in the program will no longer file ST-20/21 returns to report New York sales tax, and New York participants will no longer file ST-100.4/101.4/809.4/810.4 forms to report New Jersey sales and use taxes. For more information see:

New Jersey-based vendors: [www.state.nj.us/treasury/taxation/pdf/istinfonj.pdf](http://www.state.nj.us/treasury/taxation/pdf/istinfonj.pdf)

New York State-based vendors: [www.state.nj.us/treasury/taxation/pdf/istinfony.pdf](http://www.state.nj.us/treasury/taxation/pdf/istinfony.pdf)



tax assessor certificates - from page 4

Form AC-1, is available on the Division's Web site at: [www.state.nj.us/treasury/taxation/lpt/localtax.shtml](http://www.state.nj.us/treasury/taxation/lpt/localtax.shtml) □

**LOCAL PROPERTY TAX**  
**Tax Assessors'**  
**Calendar**

**October 1 (on or before)–**

- Agricultural land values for farmland assessed under Farmland Assessment Act published by State Farmland Evaluation Advisory Committee (F.E.A.C.).
- Table of Equalized Valuations for State School Aid promulgated by Director, Division of Taxation.

**October 1–**

- All real property in taxing district valued for tax purposes (pretax year).

- \$250 veteran's property tax deduction eligibility established (pretax year).
- \$250 real property tax deduction for senior citizens, disabled persons, or surviving spouses/civil union partners eligibility established (pretax year).
- Added Assessment List and duplicate filed with County Tax Board.
- Omitted Assessment List and duplicate filed with County Tax Board.
- Limited Exemption and Abatement Audit Trail report filed with Property Administration and the County Tax Board.

**October 25 (on or before)–**

- Added assessments certified for fire districts on Form CNC-3.

**November 1–**

- Initial Statements, Forms I.S., and Further Statements, Forms F.S., for property tax exemption filed with tax assessor.
- Notice of Disallowance of farmland assessment issued by tax assessor.
- Deadline for filing proposed compliance plans with Division of Taxation and County Tax Board.
- Form CNC-3 completed by assessor and forwarded to collector.

**November 15–**

- Deadline for taxing districts' appeals of Table of Equalized Valuations to New Jersey Tax Court.

**December 1 (on or before)–**

- Appeals from added assessments filed with County Tax Board, or

30 days from the date collector of the taxing district completes bulk mailing of tax bills for added assessments, whichever is later.

- Appeals from omitted assessments filed with County Tax Board, or 30 days from the date collector of the taxing district completes bulk mailing of tax bills for the omitted assessments, whichever is later.
- Assessors in Highlands municipalities certify to County Tax Board a report of assessed values of vacant land in base year and assessed value changes of such land in current year attributable to successful appeals, revaluations, or reassessments.

**December 20–**

- County Tax Board certifies to Director, Division of Taxation the aggregate decline, if any, in the true value of vacant land, comparing current year to base year.

**December 31 (on or before)–**

- Legal advertisement of availability of Tax List for public inspection.
- Applications for veterans' deductions and senior citizens, disabled persons, and surviving spouses/civil union partners property tax deductions for 2011 must be filed with assessor during the pretax year, thereafter with collector during the tax year.
- Last date for veterans' deductions and senior citizens, disabled persons, and surviving spouses/civil union partners property tax deductions for 2010 to be filed with collector. □

**Interest 6.25%**

The interest rate assessed on amounts due for the period January 1, 2010 – December 31, 2010, will be 6.25%.

The assessed interest rate history is listed below.

Effective Date	Interest Rate
10/1/05	9.50%
1/1/06	10.00%
10/1/06	11.25%
1/1/07	11.25%
1/1/08	10.50%
4/1/08	9.00%
1/1/09	7.00%
1/1/10	6.25%



## Criminal Enforcement

Criminal enforcement over the past several months included:

- In May 2010, Dawn Mass of Marlton, New Jersey, pled guilty to one count of theft of property (N.J.S.A. 2C:20-3) and one count of failure to pay or turn over taxes (N.J.S.A. 54:52-9). In her position as bookkeeper for a Pennsauken-based realty management firm, Ms. Mass was able to manipulate financial records and misappropriate \$585,665.84 of funds between 2002 and 2009. Ms. Mass was sentenced to four years in State prison on each count, to be served concurrently. Ms. Mass paid \$64,819.22 in restitution to her employer. A judgment for the \$30,464.94 tax liability to the State of New Jersey will be forthcoming.
- On May 14, 2010, a total of 11 search warrants and 4 arrest warrants and seizure orders were executed at locations in the City of Passaic and Wallington Township, Passaic County and Saddle Brook, Bergen County by the Office of Criminal Investigation (OCI). This action resulted after a 10-month undercover investigation and with the cooperation

and assistance of the Passaic County Prosecutor's Office. Miroslaw Sapinski and his wife, Grazyna Sapinski, as well as Waclaw Jeziorski and Stanislaw Zebronski, were arrested by OCI special agents. Seized were a total of 655.1 cartons of cigarettes at the residences. Also seized by OCI were two handguns and one rifle; three vehicles identified as being used in the transportation of contraband; and over \$130,000 in currency from the residences, business, and associated bank accounts. At the Market Quality Market, owned and operated by the Sapinskis, a secret room was built to hide the contraband cigarettes. All subjects were remanded to Passaic County Jail in lieu of \$50,000.

- On May 14, 2010, Waclaw Jeziorski of Wallington, New Jersey, while under surveillance just prior to his arrest for other cigarette smuggling charges, was observed exiting his residence and driving to Krystna's Place, an Alcoholic Beverage Control licensed bar in Wallington, New Jersey. Special agents observed a transaction and, as a result, an inspection was conducted at Krystna's Place, 171 Hathaway Street, Wallington, New Jersey. A total of

135.8 cartons of Virginia-stamped cigarettes and \$1,381 in currency were seized from the business. Jozef Babon of the same address was arrested by special agents of the Office of Criminal Investigation and charged with possession of untaxed goods, no invoices, no licenses, and related charges in the Wallington Municipal Court.

- On May 17, 2010, Herbert Brandt, the pharmacist and owner of Pharmacy of America in East Orange, New Jersey, and his son, Douglas Brandt, who operated the business activities of Pharmacy of America, were sentenced to three years in State prison by Superior Court Judge Joseph C. Cassini III, in Essex County. Previously, on September 23, 2009, they pled guilty to second-degree health care claims fraud and third-degree witness tampering. They were also ordered to pay restitution to the Medicaid program and a civil penalty totaling \$1.1 million. Herbert Brandt also entered into a consent agreement with the Board of Pharmacy to surrender his license to operate a pharmacy.
- On May 20, 2010, Office of Criminal Investigation (OCI) special agents responded to a call from New Jersey State Police,

*continued on page 7*

### Public Auction Information

Announcements of upcoming public auctions of seized property are published on the Division of Taxation's Web site under "[Auctions](#)." Select the name of the business for details about that auction.

### Enforcement Summary Statistics Second Quarter 2010

Following is a summary of enforcement actions for the quarter ending June 30, 2010.

• Bank Levies	1,375	• Seizures	77
• Certificates of Debt:		• Auctions	10
Total Number	4,020		
Total Amount	\$71,455,351		



*criminal enforcement - from page 6*

Moorestown Station on the New Jersey Turnpike, relative to a stop of a U-Haul vehicle containing untaxed alcohol. The driver of the rental truck, Satish Madidi of Newark, Delaware, was interviewed and was unable to provide paperwork to show where the alcoholic beverages were to be delivered. He also admitted that he was following another subject who was to lead him to the eventual delivery point. That subject was not found. The truck contained 210 cases of Johnnie Walker Black Label scotch. Madidi was arrested by OCI for possession of untaxed goods (N.J.S.A. 54:52-1 et seq.) and related charges (N.J.S.A. 54:43-1 et seq.), and the untaxed alcohol was seized. Charges are pending in the Carneys Point Township Municipal Court.

- On June 7, 2010, Anthony Foti, owner of AN-JO Car Company, Inc., t/a A & J Car Company,

pled guilty to second-degree theft by failure to make required disposition of property received and second-degree purposefully failing to turn over New Jersey sales and use tax for the period of September 1999 through June 2004 in the amount \$79,392.26 plus penalty and interest. Anthony Foti tendered \$2,000 at the time of his plea and paid an additional \$1,500 on June 18, 2010. He was ordered to pay an additional \$6,500 by the end of September 2010 and to pay the balance in monthly installments. Foti's probation is contingent on adherence to this payment schedule.

- On June 10, 2010, James Gillespie and his wife, Susan Gillespie, were indicted on 15 counts and charged with second-degree crimes of failure to make required disposition of property received and misapplication of property received (N.J.S.A. 2C:20-9 and N.J.S.A. 2C:21-15) and third-degree crimes of failing to file

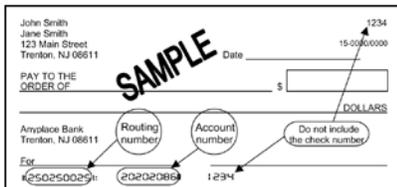
payroll and sales tax returns and failure to turn over to the State of New Jersey payroll and sales taxes collected (N.J.S.A. 54:52-8 and N.J.S.A. 54:52-9). During the period 2001 through 2007, James Gillespie was the owner of Wellness Enterprise Corporation and Rolling Help, Inc., businesses which provided medical transportation services. During that period, Mr. Gillespie did not file payroll tax returns nor did he submit income tax withheld or disability/unemployment taxes collected from employees to the State of New Jersey. During the period 2005 through 2007, Susan Gillespie was the owner of the business EZ, Inc., which provided lawn care services. During that period, corporation business tax returns were not filed nor were any sales tax returns filed or sales tax remitted to the State of New Jersey. Also, the Gillespies were charged with the filing of false and fraudulent NJ-1040 returns for the years 2005, 2006, and 2007. During those years, the Gillespies failed to report the income received from the businesses EZ, Inc. and Rolling Help, Inc. Unremitted payroll taxes totaled \$105,439.82, and unremitted sales tax totaled \$23,906.29.

- On June 24, 2010, Christopher Nemeth, owner of Nemeth Enterprises, Inc., was sentenced to four years in State prison by Superior Court Judge Edward M. Neafsey in Mercer County. Marisol Garcia, Nemeth's girlfriend, was sentenced to three years in prison. Nemeth and Garcia each pled guilty on March 10, 2010, to second-degree misapplication

# Pay NJ Taxes Electronically

## Electronic Check (E-Check)

[www.state.nj.us/treasury/taxation/](http://www.state.nj.us/treasury/taxation/)



**Make a payment directly from your bank account**

## Credit Card\*

**1-800-2PAYTAX**

[www.officialpayments.com](http://www.officialpayments.com)



\* Fee of 2.49% of tax payment applies.

*continued on page 8*

*criminal enforcement - from pg. 7*

of entrusted property and third-degree failure to remit payroll taxes. From 1999 through the second quarter of 2007, the defendants, who ran the paving company from their home, failed to pay the State \$207,003.57 in payroll taxes withheld from their employees. Throughout that period the defendants failed to file tax returns, which must be filed quarterly with the Division of Taxation, and employer wage reports, which must be filed annually with the Department of Labor. The subjects are required to pay the State of New Jersey \$368,807, which includes the back payroll taxes owed by their company with penalties and interest.

- On July 16, 2010, Brian McGuire was sentenced to two five-year prison terms to be served concurrently. He was charged with one count of second-degree theft by failure to make required disposition and one count of third-degree failure to pay taxes by Judge Reiser in Monmouth County Superior Court. A criminal investigation which was conducted by the Monmouth County Prosecutor's Office in conjunction with the Office of Criminal Investigation revealed that between November 2004 and July 2007, Brian McGuire, President and Chief Operating Officer of Kaibobo Enterprises Corporation, stole \$574,652 from the company's operating account.

Previously, on March 22, 2010, Brian McGuire pled guilty to the above charges from the August 11, 2008, Monmouth County Grand Jury indictment. All charges were dismissed against Benedette McGuire. Kaibobo Enterprises Corporation conducts business under the name Resources Payroll Company, a payroll tax processing service which processes payroll and remits withheld payroll taxes to the appropriate taxing authorities. McGuire failed to pay the taxes due.

- In the area of refund fraud, the Office of Criminal Investigation prevented the issuance of 3,263 fraudulent refund claims totaling \$7,087,221 for the period July 2009 through June 2010. In addition, the Office of Criminal Investigation issued assessments based on refunds found to be fraudulently obtained. □

## **Sales Tax Information**

P.L. 2005, c.126, effective October 1, 2005, conformed the New Jersey Sales and Use Tax Act to the Streamlined Sales and Use Tax Agreement. More information is available at:

[Streamlined Sales and Use Tax](#)

P.L. 2006, c.44, increased the New Jersey sales and use tax rate from 6% to 7%, effective July 15, 2006. The rate change affects all retail sales of taxable merchandise or services. For more information on the rate increase visit:

[Information for all Sales and Use Tax Vendors](#)

Additional provisions of P.L. 2006, c.44, effective October 1, 2006, extended the sales and use tax to new services, limited some existing exclusions and exemptions, and encompassed product categories that have come into being with new technologies. More information is available at:

[Information Regarding Sales and Use Tax Changes Effective October 1, 2006](#)

P.L. 2008, c.123, revised the New Jersey Sales and Use Tax Act to conform with various provisions of the Streamlined Sales and Use Tax Agreement (SSUTA). The amendments took effect on January 1, 2009, and include changes in telecommunications, direct mail, fur clothing, the definition of sales price, and the medical products exemption. More information is available at:

[Amendments to Sales and Use Tax Act Effective January 1, 2009](#)

## **Tax Briefs**

### **Corporation Business Tax**

**IRC Section 179**—A taxpayer asked if New Jersey has conformed to the IRC Section 179 maximum expense deduction of \$250,000 for taxable year 2010, and if not, what the limit is for 2010. IRC Section 179 allows taxpayers to take a deduction if they elect to treat the cost of qualifying property as an expense rather than a capital expenditure.

The Division responded that P.L. 2002, c.40 decoupled the corporation business tax and gross income tax from the Federal calculation of IRC Section 179 deductions. For New Jersey purposes, IRC Section 179 deductions are to be calculated pursuant to the

*continued on page 9*

*tax briefs - from page 8*

Federal IRC in effect on December 11, 2002. At that time the limit was \$25,000. Information is provided in the applicable tax return instructions regarding decoupling bonus depreciation and IRC Section 179 deductions from Federal calculations.

### **Gross Income Tax**

#### ***Income Resulting From a Demutualization of an Insurance Company***

— A taxpayer inquired about the New Jersey gross income tax treatment of stock received as a result of a demutualization of an insurance company.

For Federal income tax purposes, the treatment of the demutualization income depends on whether it is a tax-free reorganization under IRC Section 368(a)(1). Information on whether the reorganization qualifies under IRC Section 368(a)(1) is obtained from the former mutual insurance company. If the demutualization qualifies as a tax-free reorganization and the taxpayer elects to receive stock, the taxpayer will not recognize any gain or loss on the receipt of the stock for tax purposes.

For New Jersey gross income tax purposes, the method of accounting and the basis of property must be the same as for Federal income tax purposes. See N.J.S.A. 54A:8-3(c) and N.J.S.A. 54A:5-1(c). Therefore, the taxpayer may use Federal income tax accounting concepts to determine if any income is realized for New Jersey gross income tax purposes.

As a result, if a taxpayer receives stock from an IRC Section 368(a)(1) reorganization and qualifies for nonrecognition of income for

Federal income tax, the taxpayer also qualifies for nonrecognition of income for New Jersey gross income tax.

**IRC Section 179**— See Corporation Business Tax.

**Partnership Income and IRC Section 754 Election** — The Division responded to a taxpayer who inquired about the treatment of an IRC §754 election under the New Jersey Gross Income Tax Act. The taxpayer inquired about how the IRC §754 election should be reported on the NJ-1065 return.

Pursuant to IRC §754, a partnership may file an election to adjust the basis of the partnership property. This may create a higher “outside” basis for the partnership. Consequently, the partners may use greater depreciation deductions for Federal income tax purposes.

For New Jersey purposes, partnerships are taxed in accordance with N.J.A.C. 18:35-1.3 and N.J.S.A. 54A:5-1(k). All choices affecting the determination of income from the partnership are made by the partnership, not each partner. This includes the choice of the methods of computing depreciation. The partnership may apply Federal law, where it is applicable, to its choice of the method of depreciation.

Thus, Federal adjustments such as an IRC §754 election will be allowed for New Jersey income tax purposes. Supporting documentation for any adjustments should be retained and made available to the Division if requested.

The partnership should report the partners’ IRC §754 adjustment as supplemental information for the NJK-1. The partnership should also indicate in the supplemental information that the IRC §754 amount had not already been taken into account in their reported distributive share of partnership income (loss).

The partners will then adjust their reported distributive share of partnership income (loss) by the IRC §754 adjustment and report the net amount on their NJ-1040.

**Property Tax Deduction** — A taxpayer inquired about the gross income tax deduction for property taxes paid on a principal homestead. The taxpayer had paid all (100%) of the property taxes due and paid on the homestead property. However, the taxpayer only owned a one-half interest in the property.

The Division replied that based on these facts, the taxpayer is limited to 50% of the property taxes due and paid on the homestead property up

*continued on page 10*

**New Jersey tax forms at your fingertips!  
From your fax machine’s phone, dial**

**609-826-4500**

**NJ TaxFax**

**NJ Tax Forms & Publications  
24 Hours – 7 Days a Week**



*tax briefs - from page 9*

to the maximum deduction allowed in the law. N.J.S.A. 54A:3A-17(c) states in part:

If title to a homestead is held by more than one individual as joint tenants or tenants in common, each individual shall be allowed the property tax deduction only in relation to the individual's proportionate share of the property taxes assessed and levied against the homestead.

Therefore, a claimant who only holds a 50% interest can use only 50% of the property taxes due and paid on the property when calculating the allowable property tax deduction, even though she is paying 100% of the property taxes.

### **Sales and Use Tax**

**Charges for Sightseeing** — A taxpayer inquired about the application of the New Jersey Sales and Use Tax Act to charges for sightseeing, such as the chartering of a ferryboat to see the Statue of Liberty or chartering a boat for the purpose of whale watching.

The Division responded that charges for the transportation of persons are exempt from tax. N.J.S.A. 54:32B-8.11. Thus, the charges for sightseeing in the above examples

are exempt from tax because the object of the transaction is the transportation of people.

Conversely, the bare rental of a boat without an operator or crew is taxable as the rental of tangible personal property. N.J.S.A. 54:32B-3(a); N.J.S.A. 54:32B-2(f). The object of the transaction is considered to be the rental of the boat.

It should be noted that certain boat chartering situations may represent services that go beyond a mere transportation charge, for instance, a dinner cruise which offers food, beverages, entertainment, etc. The taxability can only be determined based on a review of the specific facts. However, please note the following general information pertaining to a lunch/dinner sightseeing cruise.

*Bill stated as a lump sum (e.g., \$100 per guest charge).* The entire amount is subject to tax since the charge includes significant taxable elements that go beyond merely a charge for transportation.

#### *Itemized bill.*

Boat charter fee—exempt as transportation if separately stated and reasonable in relation to prevailing charter rates. N.J.S.A. 54:32B-8.11.

Catering fee—receipts from the sale of food and drink by restaurants, caterers, etc. are taxable. N.J.S.A. 54:32B-3(c).

**Sales of Human Semen** — A taxpayer inquired about the application of the New Jersey Sales and Use Tax Act to sales of human semen or sperm to fertility patients and sales of human semen or sperm to fertility doctors or clinics for use in fertility treatments.

The Division determined that due to the nature of the property, human semen and sperm, as well as other human body parts, are not considered to be tangible personal property for purposes of the Sales and Use Tax Act. Therefore, sales of human semen or sperm to fertility patients or to fertility doctors or clinics for use in fertility treatments are not subject to sales and use tax.

**Wind Turbines** — A taxpayer inquired about the application of the New Jersey Sales and Use Tax Act to the sale of wind turbines.

The Division responded that the Sales and Use Tax Act contains an exemption for the purchase, rental, lease, or use of solar energy devices or systems designed to provide heating or cooling, or electrical or mechanical power by collecting and transferring solar-generated energy and including mechanical or chemical devices for storing solar-generated energy. N.J.S.A. 54:32B-8.33. Note that solar energy devices certified by the manufacturer will qualify for the exemption. This exemption *does not* apply to wind turbines, and the Sales and Use Tax Act does not contain an exemption for other renewable energy sources (e.g., wind energy or geothermal technology).

However, the law also provides an exemption for “sales of machinery, apparatus or equipment for use or

## **Current Amnesty Programs**

The following jurisdiction(s) are conducting tax amnesty program(s). During the designated amnesty periods, taxpayers have a chance to pay back taxes with reduced (or eliminated) penalty and/or interest. For more information, including eligibility requirements, or to obtain an application, visit the Web site(s) listed below.

IL Oct. 1 – Nov. 8 <http://tax.illinois.gov/Amnesty/AmnestyQandA.htm>

*continued on page 11*



tax briefs - from page 10

consumption directly and primarily in the production, generation, transmission or distribution of gas, electricity, refrigeration, steam or water for sale or in the operation of sewerage systems.” N.J.S.A. 54:32B-8.13(b). Thus, if the wind turbines are used in an exempt manner, for instance, to produce electricity for sale, the purchase of the wind turbines will be exempt under N.J.S.A. 54:32B-8.13(b). If a statutory exemption is not available, purchases of wind turbines and related equipment and materials are subject to tax. N.J.S.A. 54:32B-3(a). □

## In Our Courts

### Corporation Business Tax

**Throwout Rule** – *Pfizer, Inc., Whirlpool Properties, Inc. v. Director, Division of Taxation*, New Jersey Superior Court, Appellate Division, decided July 12, 2010.

The Superior Court of New Jersey, Appellate Division, affirmed that the throwout rule is facially constitutional in that it does not offend the due process, commerce, or supremacy clauses of the United States Constitution.

In 2002, the Legislature added the throwout rule to N.J.S.A. 54:10A-6(B). This rule affects the computation of the New Jersey sales factor by excluding or throwing out from the denominator receipts attributable to a state “in which the taxpayer is not subject to a tax on or measured by profits or income, or business presence or business activity.” Note that the throwout rule was repealed for tax periods beginning after June 30, 2010.

Plaintiffs’ contention was that the throwout rule was unconstitutional because it allowed New Jersey to tax income unrelated to the taxpayers’ activities in the State which resulted in a tax that was not fairly apportioned or related to the services provided by the State.

Plaintiffs’ motions were consolidated by the Tax Court to hear the constitutional challenge. The “as applied” portion has yet to be addressed.

The Appellate Division denied plaintiffs’ motions for leave to file interlocutory appeals; however, the Supreme Court granted the motions and remanded for consideration on the merits. Plaintiffs have now filed motions for leave to appeal with the Supreme Court.

### Gross Income Tax

**Domicile** – *Masami Tawara & Kimiko Tawara v. Director, Division of Taxation*, Docket No. 002061-2009, decided July 7, 2010.

Judge Hayser granted the Director’s motion to dismiss the complaint.

In this case, the taxpayer claimed that he was not a New Jersey domiciliary for 2004 and had abandoned his New Jersey domicile in 2001 for a new domicile in Japan where his primary business was located and where he occupied a home owned by the company.

Judge Hayser stated in his opinion that the taxpayer had not abandoned his New Jersey domicile based on several factors:

- The taxpayer maintained his clothing, goods, and personal effects in his New Jersey residence;
- Although the taxpayer lived “separate and apart” from his

spouse, he still owned the house with his wife;

- The taxpayer maintained a New Jersey phone number until 2008;
- The taxpayer was a member of the Old Tappan Lions Club through 2004;
- In 2004, the taxpayer filed Federal and New York tax returns listing his New Jersey address as his address of record;
- The taxpayer maintained a current New Jersey driver’s license that did not expire until 2013, which stated the taxpayer’s New Jersey address as his residence; and
- The taxpayer also maintained an equity loan on his pre-existing marital residence and a joint bank account in New Jersey.

Judge Hayser concluded:

The burden rests with the taxpayer asserting the abandonment of an old domicile for a new one to prove same, to enable the conclusion that the objective factors evidencing that clear intent show that the taxpayer no longer has a “sufficiency of relationship” with the old domicile.

### Interest on Late Payment of New Jersey Gross Income Tax –

*Alexander and Gloria Szymanski v. Director, Division of Taxation*, Docket No. 000449-2009, decided July 8, 2010.

Judge DeAlmeida granted the Director’s summary judgment motion.

In this case, the taxpayers, residents of Pennsylvania, sold rental real estate in New Jersey. Claiming

*in our courts - from page 11*

that they were not aware of tax in New Jersey and filing an amended Pennsylvania resident return too late to receive a credit for taxes paid to New Jersey, the taxpayers sought the abatement of all penalty and interest.

In his decision, Judge DeAlmeida stated:

Plaintiffs do not dispute that the gain they realized from the sale of the Ocean City property was subject to New Jersey Gross Income tax. They contend that they should not be subject to interest on the taxes due from the sale for a variety of reasons, none of which the court finds availing to plaintiffs.

The Szymanskis believed that all of their interest should be abated because:

1. They were unaware of their obligation to pay nonresident New Jersey gross income tax;
2. Their accountant practices in Pennsylvania, not New Jersey;
3. They should have received amnesty treatment (50% interest relief) even though they paid the balance due in full on January 8, 2009, several months before the amnesty program began; and
4. A Division employee orally informed the taxpayers that no interest was due. (However, as the Judge states in his opinion, this conversation occurred three years after the sale of the Ocean City property and the Division employee

“recognized his error soon after this conversation...and advised them by telephone that interest was due.”).

Judge DeAlmeida stated that “these facts are insufficient to warrant relief under N.J.S.A. 54:49-11b.”

**Nonbusiness Bad Debt** – *Harlan W. Waksal and Carol Waksal v. Director, Division of Taxation*, Docket No. 001191-2009, decided July 1, 2010.

Judge DeAlmeida granted the Director’s summary judgment motion.

This case involved the taxpayers’ taking a nonbusiness bad debt as a loss on their NJ-1040 return based on an unpaid loan of \$14 million that Mr. Waksal had made to his brother. Several New Jersey Court decisions have previously supported the premise that New Jersey gross income tax (unlike the IRC) does not allow nonbusiness bad debts.

Judge DeAlmeida stated:

The question presented here is whether a non-business bad debt is a “net loss, derived from the sale, exchange or other disposition of property.... As determined in accordance with the method of accounting used for federal tax purposes” within the meaning of N.J.S.A. 54A:5-1(c). The Court’s analysis of this question is guided by the controlling Appellate Division decisions in *Walsh v. Director, Div. of Taxation*, 15 N.J. Tax 180, 183-186 (App. Div. 1995) and *King v. Director, Division of Taxation*, 22 N.J. Tax 627 (App. Div. 2005). The facts of those two cases are on point with those before the Court in all significant aspects.

In each case, the Court upheld the Director’s determination that a loss from non-business bad debt does not fall within N.J.S.A. 54A:5-1(c) and cannot be used to offset gains from the sale, exchange or other disposition of property.

The Gross Income Tax Act provides that taxable income shall consist of sixteen distinct categories, N.J.S.A. 54A:5-1. One of those categories is “net gains or income from disposition of property.” N.J.S.A. 54A:5-1(c). The category is defined as Net gains or net income, less net losses, derived from the sale, exchange or other disposition of property, including real or personal, whether tangible or intangible as determined in accordance with the method of accounting used for federal income tax purposes.

The Appellate Division (in *Walsh v. Director*) flatly rejected the notion that a non-business bad debt constituted a loss that could be offset from gains from the sale, exchange or other disposition of property under N.J.S.A. 54A:5-1(c).

Plaintiffs would have us read N.J.S.A. 54A:5-1(c) broadly so that the language “losses, derived from the sale, exchange or other disposition of property”, would include losses from non-business bad debt. The legislative history weighs against such a broad interpretation. The Legislature determined that the New Jersey Gross Income Tax Act should contain fewer deductions from

*in our courts - from page 12*

income than the federal income tax. This was seen as a way of making the Gross Income Tax fairer. The Legislature did not explicitly provide for a deduction of a non-business bad debt. Thus, in view of legislative history, it would appear that the Legislature did not intend for N.J.S.A. 54A:5-1(c) to be read broadly to include a deduction for non-business bad debts.

The appellate panel rejected the argument that the Gross Income Tax Act allows gains from the sale, exchange or other disposition of property to be offset by a deduction for non-business bad debt.

**Property Tax Relief Programs  
Property Tax Reimbursement –  
*Rudolf Abel v. Director, Division of  
Taxation*, Docket No. 017319-2009,  
decided June 22, 2010.**

Judge Andresini affirmed the Division's denial of Mr. Abel's 2008 Property Tax Reimbursement.

Mr. Abel filed a PTR-1 form seeking a property tax reimbursement (PTR) for 2008.

For the year 2008, the property tax reimbursement application, Form PTR-1, was available to residents who were filing for the first time or were not eligible for the 2007 reimbursement. There is an income limit section on the PTR-1 form; the applicant must have qualifying income in the base year and the application year.

The Director had determined that Mr. Abel's 2007 income exceeded

the income eligibility limit. The Director had also determined that Mr. Abel had failed to fulfill the statute's three-year residency requirement. Mr. Abel moved into his new home in 2006. Mr. Abel lived at his old home from 1985 until 2006.

Mr. Abel argued that the Director did not correctly calculate his income and that his only income came as a result of working as an election booth operator and that his 2007 Federal tax return reflected income below the PTR income threshold.

Mr. Abel argued that although he did not reside in his new home for the statutory required three-year period, he should be able to aggregate the years spent at his former home to the years spent at his new home.

Judge Andresini stated, "Property tax reimbursements are governed by N.J.S.A. 54:8.67 to 54:8.75."

An eligible claimant must have an annual income of \$60,000 or less in 2007 and \$70,000 or less in 2008.

Judge Andresini further opined:

N.J.S.A. 54:4-8.67 defines income as "income as determined pursuant to P.L. 1975, c.194 (C.30:4D-20 et seq.)," which is the statute establishing the Pharmaceutical Assistance to the Aged ("PAAD") program. Regulations promulgated for the PAAD program pursuant to N.J.S.A. 30:40D-24 include N.J.A.C. 8:83-6.2, which defines "income" for purposes of PAAD program and thus for eligibility for the property tax reimbursement. Income includes such things as pensions, N.J.A.C. 8:83-6.2 (c)(1)(xvi) and social security benefits

N.J.A.C. 8:83-6.2(c)(1)

(i). Income for purposes of the property tax reimbursement has nothing to do with federal income tax definition. I therefore conclude that Mr. Abel's income exceeded the income eligibility limits for the property tax reimbursement for tax year 2007 and that he is not eligible for the reimbursement.

Judge Andresini went on to say about the three-year residency requirement:

The tacking issue was extensively analyzed by Judge Small in *Anderson v. Director, Div. of Taxation*, 24 N.J. Tax 141, 152 (Tax 2008), aff'd, 2009 N.J. Lexis 244 (App. Div. 2009). The taxpayer argued because she was forced to move from her old home to her new home, as a result of condemnation of her old home, she should be able to tack the years lived at her old home to those lived in her new home in order to meet the statute's three year residency requirement. The judge agreed that the principle of tacking had been applied in the adverse possession context, so that one who claims adverse possession may gain benefit of adverse uses by predecessors as long as the adverse use is continuous, the claimant satisfies all other requirements, and privity exists between the claimant and previous titleholders. He determined that tacking was not applicable here due to the taxpayer's lack of privity with the prior owners of her new property. The judge

*in our courts - from page 13*

also reasoned that exemptions from taxation are typically narrowly construed and therefore the equitable principle of tacking should not be applied to settings other than adverse possession in the absence of express legislative direction.

In this case, Mr. Abel did not fulfill the three-year residency requirement.

In closing, Judge Andresini stated:

I conclude that the Director of the Division of Taxation properly exercised discretion denying Mr. Abel's property tax reimbursement for 2008.

□

***In Our Legislature***  
***Hotel/Motel Occupancy Tax Revisions to the Hotel/Motel Occupancy Tax Imposed by Municipalities*** — P.L. 2010, c.55, signed into law on August 18, 2010, and effective immediately, revises the hotel/motel occupancy tax permitted to be imposed by municipalities under P.L. 2003, c.114.

The Act amends section 7 of P.L. 2003, c.114 (N.J.S.A. 40:48F-5) to require the State Treasurer to include with the periodic distribution of tax revenue to each subject municipality a list of all of the hotels and motels therein that submitted municipal occupancy tax revenue to the State for the reporting period.

The new law also requires every municipality that has adopted an ordinance imposing the occupancy tax to annually provide to the State Treasurer on or before January 1 of each year a list of the names and

addresses of all of the hotels and motels located in the municipality, and also the name and address of any hotel or motel that commences operation after January 1 of any year. This additional reporting requirement will aid in more effective tax administration.

Finally, the Act makes unpaid occupancy taxes a municipal lien on the real property comprising the delinquent hotel or motel. This requires the State Treasurer to provide to a subject municipality written notification of nonpayment of local hotel/motel taxes. The municipality would then be authorized to act as the collection agent for the outstanding balance of taxes due and owing to it in place of the State Treasurer.

***Corporation Business Tax Offshore Wind Economic Development Act*** — P.L. 2010, c.57, signed into law on August 19, 2010, and effective immediately, creates the Offshore Wind Economic Development Act and establishes an offshore wind renewable energy certificate program. The Act also authorizes the Economic Development Authority (EDA) to provide tax credits for qualified wind energy facilities in wind energy zones.

The new law provides corporation business tax credit support of offshore wind energy programs with an expected power generation capacity of 20 to 25 megawatts. The tax credit program would finance 100% of capital costs for such programs in an amount not to exceed \$100 million in the same manner that tax credits are to be provided under the Urban Transit Hub Tax Credit Act (N.J.S.A. 34:1B-208 as amended by P.L. 2007, c.346).

The Act does, however, allow the EDA to exceed the \$100 million cap if “a business demonstrates to the authority, at the time of application, that the State’s financial support of the proposed capital investment in a qualified wind energy facility will yield a net positive benefit to the State.”

The Division must also ensure that the aggregate amount of these credits, in addition to any other urban transit hub tax credit certificates approved in the future, do not exceed statutory maximums. It is anticipated that the Division of Taxation will administer this measure in the same manner as it expects to administer any actual approved credit under the Urban Transit Hub Tax Credit Program. □

## ***Tax Calendar***

The following three calendars provide listings of filing and payment dates for tax year 2009 (January 1, 2009 – December 31, 2009) and tax year 2010 (January 1, 2010 – December 31, 2010) for businesses and individuals:

- ***Chronological List of Filing Deadlines*** — This calendar is for use by both businesses and individuals. If you are responsible for a return that is not listed in this calendar, please refer to the instructions that accompanied the return, or contact the Customer Service Center at 609-292-6400 for the appropriate filing deadline.

[2009](#)

[2010](#)

*continued on page 15*

tax calendar - from page 14

• **Alphabetical Summary of Due Dates by Tax Type**

2009      2010

- **Payment Dates for Weekly Payers** — An employer or other withholder of New Jersey gross income tax is designated a “weekly payer” if the amount of tax they withheld during the previous tax year was \$10,000 or more.

2009      2010      □



*important  
phone  
numbers*

- Customer Service Ctr.... 609-292-6400
- Automated Tax Info ...1-800-323-4400
- ..... 609-826-4400
- Homestead Benefit Hotline  
for Homeowners .... 1-888-238-1233
- Homestead Benefit Hotline  
for Tenants ..... 1-888-213-8623
- Property Tax Reimbursement  
Hotline ..... 1-800-882-6597
- Earned Income Tax Credit  
Information..... 609-292-6400
- NJ TaxFax ..... 609-826-4500
- Business Paperless Telefiling  
System ..... 1-877-829-2866
- Speaker Programs ..... 609-984-4101
- Alcoholic Bev. Tax ..... 609-633-7068
- Corp. Liens, Mergers, Withdrawals  
& Dissolutions..... 609-292-5323
- Director’s Office ..... 609-292-5185
- Inheritance Tax..... 609-292-5033
- Local Property Tax..... 609-292-7974
- Motor Fuels Tax  
Refunds ..... 609-633-8878
- Public Utility Tax..... 609-633-0013