

New Jersey State Tax NEWS

A Quarterly Newsletter

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Income Tax Rates Reduced

Recent tax legislation (Chapter 2, P.L.1994) reduces the New Jersey Gross income tax rates 5% for all taxpayers for tax years 1994 and thereafter. The reduction is retroactive to January 1, 1994, and will affect the amount of tax employers are required to withhold and remit to the State.

The Division is currently sending notices and revised withholding tables to all employers registered in the State. The tables are effective May 1, 1994, and take into account the additional reduction in withholding required because tax was withheld at the old (higher) rates on wages paid between January 1, 1994 and April 30, 1994.

Corp Surtax Eliminated

Recent tax legislation (Chapter 3, P.L. 1994) discontinues the surtax on corporate net income as of January 1, 1994. The surtax was enacted in 1986 (Chapter 144, P.L. 1986) as a temporary measure, and affects returns for tax years ending in fiscal years 1989 through 1994.

The legislation provides a formula for determining an adjusted surtax rate for accounting periods ending between January 1 and June 30, 1994. That rate is determined by multiplying the surtax rate for the period (.00375) by a quotient, the numerator of which is the number of

complete calendar months in the taxpayer's accounting period ending before January 1, 1994, and the denominator of which is the total number of complete calendar months in the accounting period.

$$.00375 \times \frac{\text{Months ending before 1/1/94}}{\text{Total months in tax year}}$$

= Adjusted Surtax Rate

This calculation ensures that the surtax rate is reduced proportionally for those taxpayers with a tax year ending after January 1, 1994. The surtax is then eliminated for fiscal year 1995 and thereafter.

The adjusted surtax rates for taxpayers with accounting periods covering

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important phone numbers

Taxpayer Hotline 609-588-2200
Recorded Topics 800-323-4400
Speaker Programs 609-588-3179

Alcoholic Bev. Tax 609-984-4121
Corporate Mergers, Withdrawals &
Dissolutions 609-292-5323
Corporate Tax Liens .. 609-292-5323
Director's Office 609-292-5185
Inheritance Tax 609-292-5033
..... 609-292-5035
..... 609-292-7147

Local Property Tax 609-292-7221
Motor Fuels Tax Refunds
..... 609-292-7018
Public Utility Tax 609-633-2576
Tax. Registration 609-292-1730



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12 months are listed below. Taxpayers with accounting periods covering less than 12 months must compute the appropriate rate using the formula indicated above (on page 1).

Fiscal Year Ended	Adjusted Surtax Rate
1/31/94	0.00344
2/28/94	0.00313
3/31/94	0.00281
4/30/94	0.0025
5/31/94	0.00219
6/30/94	0.00188

Use the adjusted surtax rate at Line 7 (b) of Form CBT-100 (1993) and Line 13 of Form CBT-100S (1993). Any surtax due is in addition to tax on corporate net income, and is subject to all the penalty and interest provisions related to estimated tax payments, late payments and late filings.

Interest 9% for First Quarter

The interest rate assessed on amounts due for the first quarter of 1994 remains at 9%. This rate is calculated as follows:

6% (prime) + 3% = 9%,
compounded annually

Listed below is the prime rate and assessed interest rate history.

Date	Prime Rate	Interest Rate
1/1/93	6%	11%
3/1/93	6%	11%
6/1/93	6%	11%
7/1/93	6%	9%
10/1/93	6%	9%
1/1/94	6%	9%

Index for '92-'93

In the center of this issue you will find two separate documents for your use. The indexes for both Volume 21 (1992) and Volume 22 (1993), as well as a listing of tax legislation for 1993, appear in two separate removable (pull-out) sheets. Once removed, the indexes can be stored wherever convenient and helpful for retrieval.

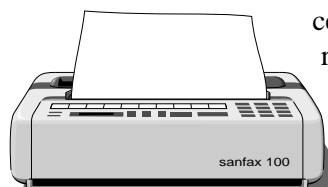
NJ TaxFax

Burning the midnight oil doing taxes only to find you need another form? If you have access to a fax machine, a new service offered by the New Jersey Division of Taxation can provide instant relief. NJ TaxFax makes State tax forms available 24 hours a day, 7 days a week to fax machine users.

“This new service is aimed primarily at professional tax preparers,” said Acting State Taxation Division Director Bob Thompson, “but anyone who has facsimile capability can now get a State tax form whenever they need it.”

At present, 20 of the more frequently requested individual and corporation income tax forms are available through NJ TaxFax. In the future, notices of changes in New Jersey’s tax laws and new technical information and procedures also may be available through NJ TaxFax.

The new feature is part of an on-going effort to improve services to tax practitioners and taxpayers of New Jersey,



and speed receipt of tax returns, said State Treasurer Brian Clymer.

The NJ TaxFax number is (609) 588-4500. Once connected, simply enter the form number of the desired form. It will be faxed to you within seconds. Persons unsure of the number of the form they need can request a list of all forms available by phoning NJ TaxFax.

TaxFax users are cautioned that the Division of Taxation will not accept returns filed on fax paper. Forms

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New Jersey State Tax news

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Taxpayer Services Branch
Office of Communication
CN 281
Trenton, NJ 08646-0281**

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received by fax must be photocopied before they are filed with the Division.

Persons without fax machines can receive tax forms by mail by calling the Division's 24-hour toll-free Hotline at 1-800-323-4400.

GROSS INCOME TAX **Income from** **S Corps**

Effective with taxable years beginning after July 7, 1993, New Jersey will allow limited pass-through taxation of S corporation (corp) income. For shareholders who report on a calendar year, this change will be effective beginning with tax year 1994.

S corp shareholders must report their pro-rata share of S corp income whether or not distributed. A new category of income, Net Pro-rata Share of S Corporation Income, has been created at N.J.S.A.54A:5-1p. A separate line will be added to the 1994 NJ-1040, NJ-1040NR and NJ-1041 for reporting this income.

The reporting and taxing of S corp income for New Jersey Gross Income Tax purposes is to be done on a limited flow-through basis. Unlike the Federal S corp or Federal and New Jersey partnership reporting, the income or loss earned by the S corp does not maintain its character when flowed through to the individual shareholders. Items such as interest, dividends and capital gains are to be included in the Net Pro-rata Share of S corp income (N.J.S.A. 54A:5-1p.) The income or loss to be reported by the shareholder in this category is the net income or loss

reported on the shareholder's Federal 1120S K-1 modified as required by New Jersey Tax statutes.

Nonresident taxpayers will report only their pro rata share of S corp income allocated to this State of a New Jersey S corp pursuant to N.J.S.A. 54A:5-8. (6).

No resident will be allowed a credit against the tax otherwise due under this Act for S corp income allocated to this State and taxed by another jurisdiction. See amendments to N.J.S.A. 54A:4-1.

Estimated payments as required by N.J.S.A. 54A:8-4 have not changed. S corp shareholders will need to make estimated payments to cover their pro rata share of S corp income to avoid interest for the underpayment of estimated taxes.

Future publications will have additional information about the tax effect of this legislation.

CORPORATION TAX **Reporting S Corp** **Income**

Effective with taxable years beginning after July 7, 1993, New Jersey will allow limited pass-through taxation of S corporation income.

The basic concept remains similar to that under the Internal Revenue Code; that is, S corporation shareholders must pay personal income tax on their pro rata share of S corporation income whether or not actually distributed to the shareholder during the shareholder's tax year.

For New Jersey CBT purposes, Federal S corporations failing to elect New Jersey S corporation status are

taxed at the same rate as a C corporation (9%). Those Federal S corporations electing New Jersey S corporation status will receive a 7% reduction in the current tax rate from 9% to 2%. This reduction is equal to the maximum rate charged under New Jersey Gross Income Tax. In addition, entire net income that is taxable at the Federal corporation level as C income will be taxed for New Jersey S corporations at the rate of 9%.

In determining the "entire net income" for New Jersey S corporations, the Federal 1120S, line 21, is to be modified to reflect all distributive items of income and expense plus or minus the adjustments enumerated in CBT 54:10A-4(k). The new legislation now disallows the deduction of taxes paid or accrued to U.S. possessions, District of Columbia, and all other states. The allocation provisions under Section 6 of the Statute remain unchanged and applicable to New Jersey S corporations.

In addition, the legislation defines "operational income" as income from tangible and intangible property if the acquisition, management, and disposition of the property constitute integral parts of the taxpayer's regular trade or business operations and includes investment income serving an operational function. With regard to non-operational income, the taxpayer must clearly demonstrate that it is not operational in order to exclude it from entire net income. Such non-operational income, other than income attributable to taxpayers who have a New Jersey location as their principal place from which their business is managed, is not subject to allocation. Corporate expenses re-



reporting s corp income - from pg. 3

lating to non-operational income are not deductible from entire net income.

A New Jersey S corporation is a corporation that is an S corporation as defined by IRC 1361 and has made a valid New Jersey election. For the election to be valid, the corporation and all present shareholders, referred to as initial shareholders, must consent to the election and the requirements of the Statute. The corporation will be required to pay the tax on the pro rata share of S corporation income allocated to New Jersey at the rate of 7% for the subsequent shareholders that fail to consent and/or object to the New Jersey jurisdictional requirements.

The following increase in the minimum tax for domestic and foreign corporations will also apply to New Jersey S corporations:

Period Beginning In Calendar Year	Domestic Corporation Minimum Tax	Foreign Corporation Minimum Tax
1994	\$ 50	\$ 100
1995	100	200
1996	100	200
1997	200	200

Subsequent increases at intervals of five years after 1997 will be determined based on the annual average total producer price index for finished goods as published by the U.S. Department of Labor.

The Division is now in the process of preparing the 1994 CBT-100S Return and the related schedules with pertinent instructions.

CORPORATION TAX **Recoupling**

As a result of legislative changes adopted July 7, 1993, taxpayers subject to the Corporation Business Tax whose accounting periods begin on or after July 7, 1993, may recouple to Federal depreciation for recovery assets placed in service on or after this date. Taxpayers whose accounting periods begin prior to July 7, 1993, who place recovery assets in service either before or after July 7, 1993, may *not* recouple to Federal depreciation. The distinguishing feature is the date the accounting period begins.

This method allows for an orderly phase-out of New Jersey's requirement to recompute depreciation on recovery property placed in service after 1980 but prior to a taxpayer's fiscal or calendar year accounting period beginning on or after July 7, 1993. This change is anticipated to affect all 1994 returns, as well as selected 1993 returns.

INHERITANCE/ESTATE TAX **Speaker Program**

The Transfer Inheritance and Estate Tax Branch has had positive results with a revamped speaker program launched in July 1991 in conjunction with New Jersey Banking institutions. The program provides for a delegate of the Branch to visit various representative groups of financial institutions to address specific areas of New Jersey Transfer Inheritance and Estate Tax laws as they apply to the banking community.

This program has served to provide the Branch and this particular group with a better understanding of their mutual concerns and problems. From

the Branch point of view, it provides for the dissemination of accurate Transfer Inheritance and Estate Tax information to those who are confronted with related compliance requirements. Benefits to the Branch are unmistakably attested to in the form of improved quality in certain areas of reporting and compliance.

It is the belief of the Branch that mutual benefits may be realized with other interested groups through similar communication.

For additional information about the inheritance tax speaker program, call the Transfer Inheritance Tax Branch in Trenton.

Audit Activity

Audit Activity uses many techniques to determine if taxpayers are meeting their obligations under New Jersey's tax statutes. One method that Audit Activity expects to make greater use of is third party information.

The Field Audit Branch is about to conclude a project where most of the pizza restaurants in New Jersey were subjected to an audit and where third party information was a major tool in the audit program. In addition to the normal verification and audit procedures, businesses that supply raw materials such as flour, cheese, and tomato sauce were contacted by Audit personnel. They were asked to submit the total amount of these purchases for the audit period for the pizza restaurants that they supplied. In most cases the suppliers provided this information in a cooperative manner. When they did not, the Division acquired the needed information through the use of a



audit activity - from page 4

subpoena. Once the purchase information was available, the mark-up percentage for each restaurant was determined and applied to the cost of the raw materials.

The resulting estimated gross receipts were adjusted for various factors unique to each operation and then compared to the figures reported to the Division. Significant differences resulted in assessments for unreported taxes. When it appeared that there were gross understatements of receipts, the case was turned over the Division's Office of Criminal Investigations for possible criminal actions.

As resources permit, the Division intends to develop other projects and techniques that will make use of available third party information. These projects will help the Division of Taxation meet their goal of insuring that taxpayers are meeting their tax obligations.

Revaluation Firms

Regulations issued under N.J.S.A. 54:1-35.35 pertain to standards and qualifications of appraisal firms that value property for assessment purposes under municipal contract. Firms and individuals contracting for this business are required to annually provide certain information to the Director of the Division of Taxation. The following firms have submitted the necessary information for the 1994 tax year.

- AMS Appraisals, Inc.
- Appraisal & Revaluations Services
- Appraisal Surveys, Inc.
- Appraisal Systems, Inc.
- Certified Valuations, Inc.
- Cole-Layer-Trumble Company
- Herskowitz, Rosen & Walton

- Market Value Appraisal Service
- MGM Associates
- MMC, Inc.
- Municipal Data Services, Inc.
- Property Evaluations Co., Inc.
- Realty Appraisal Company
- Harry F. Renwick Jr., & Assoc.
- Security Appraisal Company, Inc.
- Vital Appraisal Systems

Complete mailing addresses for the firms listed can be obtained by writing to Property Administration, Policy and Planning Section, CN 251, Trenton, NJ 08646.

Criminal Enforcement

Criminal enforcement actions over the past several months included:

November 16, 1993 - James V. Ferlisi, former president of Vitos Ristorante, Inc., of North Bergen, will enter a Pre-Trial Intervention program as the result of failing to remit Sales Tax. Mr. Ferlisi will make full restitution of the tax, including penalties and interest. This case is the result of a joint investigation with the Division Of Alcoholic Beverage Control and the Division of Criminal Justice.

November 29, 1993 - David Peselli, President of 2N, Inc., T/A Sluggo's Saloon, of North Arlington, was admitted to a Pre-Trial Intervention program as the result of failing to file and remit Sales Tax. Mr. Peselli will make full restitution of the tax, including penalties and interest. This case is the result of a joint investigation with the Division Of Alcoholic Beverage Control and the Division of Criminal Justice.

January 12, 1994 - Lalji Patel, manager of Uni Mart, Inc. in Mt. Holly,

entered a guilty plea to charges of possessing cigarettes not bearing New Jersey revenue stamps and failure to obtain a license. Mr. Patel was fined \$1,750.

January 19, 1994 - Mathew J. Werneth, president of JR Associates of NJ, Inc., entered a guilty plea to charges of failing to remit Sales Tax. As part of the plea agreement, restitution will be ordered and a consent judgment will be filed to secure the tax debt.

Enforcement Summary

Civil Collection Actions Quarter Ending - December 31, 1993

Compliance Activity personnel collected a total of \$38.0 million for the quarter ending September 30, 1993. Following is a summary of enforcement actions.

Certificates of Debt

After demands for payment were unsuccessful, the Division entered 1,271 Certificates of Debt in Superior Court totaling \$24.1 million.

Contact and Demand

Prior to the filing of Certificates of Debt, the Division collected \$34.7 million through normal collection procedures.

Levies

The Division collected \$1.5 million by levying against 323 bank accounts.

Settlements

Another \$1.4 million was collected by closing 140 cases just before seizure in which the taxpayer paid taxes due rather than have his or her business closed.

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enforcement summary - from pg. 5

Tax Seizures

After the Division has exhausted all other means to collect the State taxes due from vendors who cannot or will not pay, the business can be "seized" (closed) until some arrangement is made for payment. When a seizure occurs, the Division closes the business and seizes any tangible assets, such as inventory, machinery, furniture, etc.

If the liability of the closed business is not resolved, the Division can sell the business assets at public auction after 30 days. If the amounts realized from the auction are not enough to satisfy the entire debt, the Division can seize the personal assets of the responsible officers where trust fund taxes (Sales Tax and Income Tax Withholding) are involved.

A total of 28 businesses were scheduled for seizure for the quarter ending December 31, 1993. Of these, 13 businesses were actually closed and 15 were left open, resulting in collections of \$400,000. A listing of seized businesses appears on pages 7 and 8.

Tax Briefs

Corporation Business Tax

S Corporations; Loss Carry Forward – A taxpayer inquired as to whether New Jersey S corporation losses can be carried over at either the S corporation or individual level.

The Division advised that the provisions for net operating loss carry forwards for the corporation business tax are found at N.J.S.A. 54:10A-4(k)(6). Under the statute establishing S corporation recognition, for tax years starting after July 7, 1993,

P.L. 1993, c173, Sec. 2 (N.J.S.A. 54:10A-5(c)(2)), New Jersey S corporations currently would pay tax at a rate of 2.375%. A net operating loss deduction would be taken into account in computing entire net income (the tax base) subject to allocation and tax in New Jersey for a New Jersey S corporation for corporation business tax purposes. There is, however, no provision to permit an individual taxpayer to carry forward an S corporation operating loss on his or her individual return. Under the new law net pro rata share of S corporation income is a taxable category of income N.J.S.A. 54A:5-1p., and losses from one category of income cannot be offset by income in another category pursuant to N.J.S.A. 54A:5-2. See also N.J.S.A. 54A:5-12.b.

Subjectivity – A question was raised concerning whether a foreign corporation would be subject to tax in New Jersey based upon the following facts and circumstances.

F corporation is organized in a state other than New Jersey and has its sole office in the state of incorporation. Accordingly, F corporation does not maintain an office in New Jersey, nor does it have employees in New Jersey. F is engaged in business activities, as follows:

F corporation manufactures a patented machine which it sells to a customer in New Jersey. The sales orders are executed in the state of incorporation and not in New Jersey. Shipments of machines are made by common carrier. Installation and training of customer staff are done by F corporation's employees at the customer's location. F corporation sells the equipment to its customer at

a price equal to cost of materials, labor and overhead, plus 6%. A license agreement is executed between F corporation and its New Jersey customer. The license agreement consists of an "initial payment" for use of certain patents, know-how, and inventions. Title to the equipment passes to the purchaser upon receipt of the initial payment. An additional license fee is paid by the purchaser of the equipment to F corporation based upon production. The production payment continues until the patents expire or the license agreement is terminated. F corporation warrants that the equipment meets published specifications and services the equipment within the one (1) year period from the date of delivery. After the initial warranty period will have expired, F corporation will continue to service the machines provided the customer pays for labor and replacement parts.

In *Mark Andy, Inc. v. Taxation Div., Director*, 8 N.J. Tax 593 (1986) a Missouri corporation was "doing business" in New Jersey for purposes of corporation business tax. The corporation actively solicited customers in New Jersey through a sales representative and through its preventive maintenance program, and established continuous relationship with customers in order to promote sale of replacement parts.

Based upon the facts, including the installation and training of customer staff at customer's location, the servicing of the equipment for one year from date of delivery, and the arrangement by which F corporation

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**Division of Taxation Seizures
(Oct. - Dec. 1993)**

Note: Businesses listed may have satisfied their tax liability or otherwise come to agreement with the Division following the date of seizure and may now be reopened:

County	Name/Address	Seizure Date	Business Type	Status
Atlantic	Moo Kyoung Yang T/A Han Kuk Kwan 15 S. Tennessee Avenue Atlantic City	11-04-93	Sushi Bar & Restaurant	Reopened 11-05-93
	GGs Women's Minority Group, T/A Bungalow Inn 200 Philadelphia Avenue Egg Harbor	12-02-93	Bar w/Kitchen Facilities	Closed
Bergen	M & S Video Amusements 25 Saddle River Avenue S. Hackensack	11-23-93	Concession Counter	Closed
	Budget Trade Show Displays, Inc. 21 Third Street Ridgefield Park	12-02-93	Small Warehouse w/Office	Closed
Burlington	Thomas E. Lucas T/A Tom's Auto & Wrecker Service RD 1, Chambers Corner Mount Holly	12-09-93	Auto Welder & Junk Yard	Reopened 12-17-93
Camden	NACE, Inc. T/A French Quarter Inn 2350 Admiral Wilson Blvd. Camden	10-13-93	Go Go Bar	Reopened 10-15-93
	Gaston Jones T/A Crest Lanes Pro Shop 100 Woodcrest Plaza Cherry Hill	12-07-93	Bowling Alley/Pro Shop	Reopened 12-10-93
Cumberland	Dorene Hand 203 Kates Blvd. Millville	11-30-93	Miniatures & Collectibles	Closed
Essex	William J. Ferdon T/A Eurotech 151 Forest Street Montclair	12-07-93	Auto Repair Shop	Reopened 12-22-93
Hudson	Mike's Garden Auto Body Inc. 800 Jackson Street Hoboken	10-20-93	Auto Body	Closed



taxation seizures - continued from pg. 7

County	Name/Address	Seizure Date	Business Type	Status
Ocean	Berky Incorporated T/A Speakeasy Pizzeria 14th & Blvd. Ship Bottom	12-14-93	Pizzeria & Restaurant	Reopened 12-15-93
Passaic	Serrano Builders, Inc. T/A Duke's Tavern 7 Church Street Paterson	11-18-93	Bar	Closed
Salem	Foster's Tire Sales, Inc. T/A Foster's Tire RD 3, Box 10, Route 45 Woodstown	10-26-93	Tires & Service for Cars, Trucks and Farm Equipment	Closed

tax briefs - continued from pg.6

will continue to service the machines after that time provided that the customer pays for labor and replacement parts, it is the opinion of the Division that F corporation is doing business in New Jersey and as such would be subject to the corporation business tax. See N.J.A.C. 18:7-1.6 and N.J.A.C 18:7-1.9.

Gross Income Tax

Dividends Paid-Up Life Insurance

- A taxpayer inquired as to whether the dividends received on a paid-up life insurance policy are subject to the New Jersey Gross Income Tax. The Division responded that, for New Jersey gross income tax purposes, dividends on paid-up life insurance policy are considered a return of premiums and are not taxable until they exceed the total premiums or other payments made for the insurance. However, any interest paid on these dividends is subject to tax.

Sales Tax

Crossword Puzzle Magazines

- The Division received an inquiry concerning the sales taxation of cross-

word puzzle publication magazines. Crossword puzzle publications meet the "information" requirements of N.J.A.C. 18:24-1.2 which define exempt periodicals; thus, if all of the other criteria are satisfied (published at least four times a year, generally available for circulation, less than 90% advertising, etc.), retail sales of crossword puzzle magazines qualify for exemption from sales tax.

Sales of Treadmills and Exercise Bicycles

- The sales of treadmills and exercise bicycles are subject to sales tax. Pursuant to N.J.S.A. 54:32B-8.1 of the New Jersey Sales and Use Tax Act (See P.L. 1987, c.383), sales of durable medical equipment are exempt from sales and use tax in this State. Durable medical equipment is defined in the law to mean equipment that can withstand repeated use, is primarily and customarily used to serve a medical purpose, is generally not useful to a person in the absence of illness or injury, and is appropriate for use in the home.

Since treadmills and exercise bicycles are not customarily used to serve a medical purpose and generally are

useful in the absence of illness or injury, the Division takes the position that they do not qualify for exemption, even if the customer provides a prescription from a physician. Under the law, the existence of a prescription does not determine exempt status.

Sale and Installation of Gasoline Service Station Equipment

- The Division recently responded to an inquiry concerning the sale and installation of gasoline service station equipment in New Jersey. The capital improvement rules as found at N.J.S.A. 18:24-5 are used to determine whether the installation of service station equipment results in a capital improvement to real property. The capital improvement exemption is statutory, and applies in these situations.

The permanent installation of underground storage tanks and the associated piping constitutes a capital improvement under N.J.S.A 54:32B-3(b)(2) of the Sales and Use Tax Act. The permanent installation of other property such as pumps, islands, signs, etc. may also result in

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Legend for 1993 Tax Laws Table

ABT	=	Alcoholic Beverage Tax
ACC	=	Atlantic City Casino Control Commission
ALL	=	All Taxes Administered by the Division
BPPT	=	Business Personal Property Tax
CBT	=	Corporation Business Tax
FBT	=	Financial Business Tax
GIT	=	Gross Income Tax
LPT	=	Local Property Tax
S&U	=	Sales and Use Tax

1993 TAX LAWS

CH.	DATE	TAX*	BILL	SYNOPSIS
10	Jan. 15	S&U	A-1133(1R)	Exempts from sales and use tax coin-paid charges subject to the local calling rate for coin-operated telecommunications devices; provides special tax table.
62	March 4	LPT	S-1264	Extends effect of ordinance adopted under obsolete tax exempt abatement laws.
101	April 3	LPT	A-1637/ S-1411	Permits municipalities a three year spread for impact of increases in tax assessments resulting from revaluation.
108	April 16	GIT	A-1996(2R)	Provides employee tax incentives for ride-sharing programs.
129	June 1	LPT	S-1266(1R)	Increases membership of boards of taxation in certain counties.
143	June 18	GIT	A-1979	Gambling winnings of nonresidents subject to gross income tax.
144	June 21	S&U	A-1625(1R)	Clarifies provision of "New Jersey Urban Enterprise Zones Act."
150	June 24	CBT	S-1320(3R)	Provides employer tax incentives for ride-sharing programs.
159	June 29	ACC	S-1744	Revises Casino Reinvestment Development Authority law, establishes minimum casino parking charges and imposes casino parking fees, and provides for development of hotel rooms.
165	July 1	LPT	A-6/2623 Acs	Requires FY 1993 municipal distribution of unanticipated and retained State public utilities gross receipts and franchise taxes for local property tax relief.
166	July 1	LPT	A-2048	Excludes certain nonprofit health care properties for the elderly from local property taxation.
170	July 7	CBT	S-1784 Sca	Allows corporation business tax credit or property tax offset for certain investments that create new jobs in this State.
171	July 7	CBT	S-1820 Sca	Manufacturing Equipment and Employment Investment Tax Credit Act.
172	July 7	CBT	S-1821	Permits corporations to use Federal modified accelerated depreciation.
173	July 7	CBT	A-273/ 1870 Acs	Provides reduced corporation business tax for electing S corporation.
174	July 7	BPPT	A-1015(2R) Aca	Repeals the "Business Personal Property Tax."
175	July 7	CBT	A-1033 Acs	Provides corporation business tax credit for qualified research expenses in New Jersey.
178	July 9	GIT	A-1071, 2060, 866 Acs(4R)	Requires nonresident payers of gross income tax to compute liability as though residents, then prorate liability by proportion of New Jersey source income to total income.
210	July 30	GIT	S-890 Scs	Provides for the creation of limited liability companies.
216	July 30	ABT	A-2354(3R)	Authorizes operation of brew pubs; dedicates alcoholic beverage tax proceeds to prevention of alcohol and drug abuse.
226	Aug. 6	S&U	S-744(1R)	Limits sales tax on sale of race horses through claiming races.
232	Aug. 6	ABT	S-1979	Concerns administration and enforcement of State taxes paid and collected by alcoholic beverage licensees.
251	Aug. 12	LPT	S-15(2R)	Removes single-use agricultural or horticultural facility from definition of structure in Farmland Assessment Act.
274	Nov. 24	S&U	S-1165(1R)	New registration regulations for businesses.
295	Dec. 22	FBT	A-2989	Repeals "Financial Business Tax."
331	Dec. 23	ALL	A-2176(1R)	Reduces late payment interest rate to prime rate plus 3%.
338	Dec. 27	CBT	S-2047	Exempts corporations licensed as insurance companies under the laws of another state from the corporation business tax.

*See Legend on prior page.

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a capital improvement. Thus, the labor charges relating to such installations are not subject to tax.

Under N.J.S.A. 54:32B-2(e)(2), contractors that install service station equipment are considered the retail purchasers of all materials and supplies that are purchased for incorporation into real property. A supplier should not accept a Resale Certificate (ST-3) for such materials and supplies.

In Our Courts

Corporation Business Tax Contributions to ESOP Not Deductible – *American Telephone & Telegraph Company v. Director, Division of Taxation*, Tax Court of New Jersey, Docket No. 18-02-0034-88-CB, decided December 23, 1993.

AT&T, plaintiff, appealed a Division disallowance of a deduction taken by AT&T on its 1983 return for amounts contributed to its Tax Credit Employee Stock Plan (ESOP).

Plaintiff argued that its contributions to an ESOP were deductible under the I.R.C., that New Jersey's CBT Act permits the deduction of employer contributions to a qualified stock bonus plan, that judicial precedents in a majority of other states permitted the deduction on a state tax return of ESOP contributions electively taken as a tax credit on the taxpayer's Federal return, and that the Director's disallowance constituted an illegally adopted regulation.

The Division responded that AT&T had no authority to take a deduction when calculating its Federal taxable income on its CBT return, that be-

cause plaintiff elected to take a credit for payments made to the ESOP, its Federal taxable income did not reflect a deduction for the amounts of any ESOP contributions, and that it would be inequitable to permit a deduction for ESOP credits for which AT&T is fully reimbursed by Federal tax credits.

The Court rejected AT&T's argument that its ESOP contributions were deductible for purposes of computing its Federal income tax, and determined that court precedents in other states were not applicable. Noting that absent specific statutory provisions taxpayers cannot vary from their Federal elections, the Court held that the Division was authorized to infer that in calculating entire net income under N.J.S.A. 54:10A-4(k)(2)(A), the taxpayer starts with federal taxable income without deductions for contributions to an ESOP. The Court further ruled that whether the ESOP credit was identical to the jobs credit and foreign tax credit was not relevant, and that the disallowance of the deduction did not constitute invalid rule-making requiring the adoption of a regulation.

In-State Activities Protected by Interstate Income Act – *Pomco Graphics, Inc. v. Director, Division of Taxation*, Tax Court of New Jersey, Docket No. 04-16-1526-89CB, decided September 1, 1993.

Pomco Graphics, plaintiff, challenged a Division determination declaring it to be subject to the Corporation Business Tax (CBT) for tax years 1979 through to the present. Pomco is a Pennsylvania printing company which did not obtain a Certificate of Authority, but did have a Casino Service Industry (CSI) license.

Pomco sent salespeople into New Jersey to market a variety of printed materials to existing and prospective customers.

The Tax Court held that Pomco's business activities in New Jersey constituted "solicitation of orders" within the meaning of the Federal Interstate Income Act, Pub.L. No. 86-272, 15 U.S.C.A. section 381, and that Pomco was therefore immune from the Corporation Business Tax. The Court rejected the Division's argument that Pomco was selling services not covered by section 381 and held that Pomco was selling tangible personal property as required for protection under section 381.

Local Property Tax Appeal of Property Tax Assessment Requires Payment of Prior Year Taxes – *Rt. 88 Office Assoc. LTD. v. Township of Brick*, 13 NJ Tax 14 (1992).

Mortgagee bank appealed city's tax assessment of mortgaged property. City moved for summary judgment. The Tax Court held that mortgagees possessed sufficient ownership of assessed property to be characterized as "taxpayer" and property could be considered its property so as to allow it to pursue appeal of assessment.

The Court stated that a "Mortgage" is essentially security for payment of debt. Mortgages must be in writing as conveyance of interest in land. N.J.S.A. 25:1-5, sub d. Under common law, a mortgage creates immediate estate in fee simple in mortgagee subject to defeasance by payment of mortgage debt according to

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terms of mortgage; however, right to possession is postponed until default. In law, mortgage conveys legal title to property encumbered. In equity, lien on land is created by mortgage.

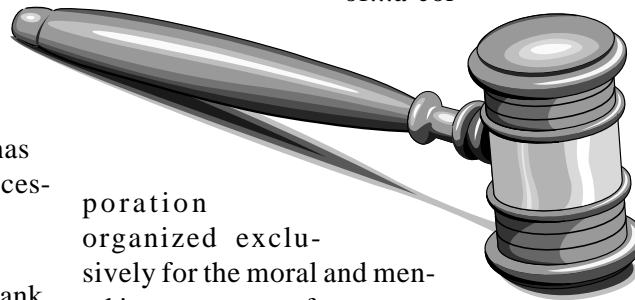
While mortgagor has right of possession of mortgage property until default in mortgage obligation, upon such default mortgagee is entitled to possession of mortgaged premises, which he may acquire either by taking possession of premises peaceably and publicly or by instituting action for possession of land. Mortgagee has right to take such steps as are necessary to protect its security.

The Court held that mortgagee bank, whose mortgage was in default, who had paid real estate taxes, and who sought to protect its security, possessed sufficient ownership of assessed property to be characterized as "taxpayer" and property could be considered its property so as to allow it to pursue appeal of local property tax assessment of mortgaged premises under statute allowing taxpayer feeling aggrieved by assessed valuation of his property to pursue such appeal; mortgagee had substantial interest in property under terms of mortgage.

Exemption Denied – Secondary School Admission Test Board, Inc. vs. Princeton Borough, No. 009456-92 (Tax Court, December 20, 1993).

Secondary School Admission Test Board, Inc. is a nonprofit testing service designed to create and administer a standardized admissions test for secondary schools. Second-

ary School Admission Test Board appealed from the denial of a local property tax exemption for the tax year 1992 for property it owns in the defendant municipality, Princeton Borough. The issues were whether plaintiff's property met the criteria of either of these two provisions in the exemption statute, N.J.S.A. 54:4-3.6: (1) "actually used for colleges, schools, academies or seminaries" and (2) is "actually used in the work of...a cor-



poration organized exclusively for the moral and mental improvement of men, women, and children."

Plaintiff failed to show that it is authorized to carry out the purposes of a "college, school, academy or seminary." Although owned and controlled by educators and educational consultants, it was not owned or controlled by the member schools. Furthering the educational purposes of its member schools simply did not meet the statutory requirement.

Plaintiff did not meet the second provision in that its aim to provide "effective and practical uniform admissions test programs for secondary schools" and "to carry on research in such matters" was decided to be secondary to the purpose and use intended in the provision.

In a strong argument to the contrary, plaintiff relied on *Bloomfield vs. The Academy of Medicine*, 47 N.J. 358 (1966). Here the exemption was granted to an organization of physi-

cians and dentists which operated a medical library and sponsored symposia on medical issues, both open to and attended by the general public. Although plaintiff also conducts seminars and training institutes for educators in secondary school admissions, these functions were insufficient to meet the "organized exclusively for the moral and mental improvement of men, women and children" specification in the statute.

Therefore, the court upheld the decision of the Mercer County Board of Taxation's denial of exemption for the 1992 tax year since plaintiff did not qualify under either provision.

Anchor Stores in Shopping Malls – Mays Center Associates Corp. v. Rockaway Township, No. 14-35-7875-91D and 14-35-0-5016-92D, November 15, 1993.

Because of the uncertain nature of the comparative sales information and the fact that the sales are of vacant department store buildings which after sale had to be renovated and refitted to the needs of the purchaser, the sales comparison approach used by the taxpayer department store is unreliable; also, because the subject location and physical condition and quality of the taxpayer's building is substantially superior to that of the five rental properties used by the taxpayer, the income approach is also unreliable; since the value of the land, building and improvements are stipulated, the cost approach is a more reliable

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valuation and the taxing district's 10% depreciation is found to be reasonable (there is no justification for 57.5% depreciation for a newly renovated building and a resulting value for the property that is less than the land value plus the renovation cost).

Since anchor stores are essential to the development of a shopping center and they often obtain concessions from developers, there may be an allocation of cost or transfer of value from the anchor stores to the mall stores which might justify assessing anchor stores, not at their cost approach value, but at a lower figure that reflects the transfer or allocation of value.

Freeze Act Reassessments – Tax Court, *Ennis v. Alexandria Township*, No. 10-01-11781-91S, November 12, 1993. DDS No. 35-5-2170.

The Tax Court held that the term "revaluation" in the Freeze Act, N.J.S.A. 54:51A-8, encompasses the term "reassessment" and, therefore, the Freeze Act does not apply where the taxing district has completed and adopted either a revaluation or a reassessment program approved by the county board of taxation of which the taxpayer has notice.

Vacation Residences for Use by Missionaries Not Entitled to Exemption – *City of Ventnor City v. Interdenominational Foreign Missionary Society of New Jersey, Inc.*, No. 01-22-00004-4-92, Tax Court, December 1, 1993.

In this case, Ventnor City, dissatisfied with Atlantic County Board of Taxation's judgment granting tax exemption to four properties owned by International Foreign Missionary So-

ciety of New Jersey, Inc., IFMS, a nonprofit medical mission, appealed to the Tax Court.

IFMS was organized for general and medical missionary purposes, an educational purpose, and to perform benevolent and charitable activities. However, its Certificate of Incorporation states in part: "the purpose for which this corporation is formed is to establish and maintain homes or residences...for the free use of missionaries on temporary leave of absence from their work." The Chairman of the Admissions Committee of IFMS testified that IFMS was involved in no charitable or religious activities but only owned the subject properties which were used by other charitable and religious organizations.

The subject properties have a unique tax history with Ventnor City. From 1922 to 1990, the property owners enjoyed tax exemption. In 1966, Ventnor City contested the exemption. IFMS was granted a stipulation which was later followed by an "arrangement" where annual contributions for services rendered were made by the property owner to the city. IFMS contended that the city was bound to continue granting tax exempt status as IFMS had prior exempt status. The court held that each annual assessment of property for tax purposes is separate and distinct from the assessment for any other year.

Defendant then tried to prove how IFMS satisfied the moral and mental improvement and the charitable purposes provisions of N.J.S.A. 54:4-3.6. The court found that a corporation organized for the purpose of providing residences for people on temporary leave from their work cannot be said to be organized exclu-

sively for exempt purposes.

It stated further: "People on leave from their work are not performing their work, and hence are not engaging in any religious or charitable activities or in any activities for the moral and mental improvement of men, women and children."

The court determined that for IFMS to promote the welfare of its members was benevolent not charitable. Also, IFMS did not meet the "reasonably necessary" test used in determining whether property is "actually and exclusively used" for a tax exempt purpose as in the statute.

In Our Legislature **Alcoholic Beverage Tax**

Promotion of More Effective Production and Sales for Small Producers of Home-Grown Products – P.L. 1993, c.372 (signed into law on January 10, 1994) changes the laws governing New Jersey farm wineries. Under the current law, farm wineries in New Jersey may hold a special license to sell their wines for consumption off the premises at two locations in addition to the farm winery. This bill increases the number of non-farm outlets to five and permits the sale of wines for consumption on the premises.

The bill also permits two or more farm or plenary winery licensees to own a one-per-county salesroom which may offer wines from any farm winery in the State for consumption on or off the licensed premises. The bill also clarifies that "product" means any wine that is produced, blended, fortified or

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treated by the plenary winery licensee on its licensed premises situated in this State; and to "grandfather" those plenary winery licensees who would not meet this change in the definition.

This bill is effective immediately.

Corporation Business Tax

Corporations Licensed as Insurance Companies – P.L. 1993, c.338 (signed into law on December 27, 1993) clarifies that corporations which are licensed as insurance companies under the laws of another state, including eligible surplus lines insurers, are exempt from taxation under the Corporation Business Tax Act (1945). It is retroactive to taxable calendar or fiscal accounting years commencing after December 31, 1960. The current exemption for insurance companies under the Corporation Business Tax Act (1945) was intended to apply to all insurance companies doing any kind of business in this State.

This bill is effective immediately.

Financial Business Tax

Repeal – P.L. 1993, c.295 (signed into law on December 22, 1993) repeals the Financial Business Tax Law (1946), effective January 1, 1994.

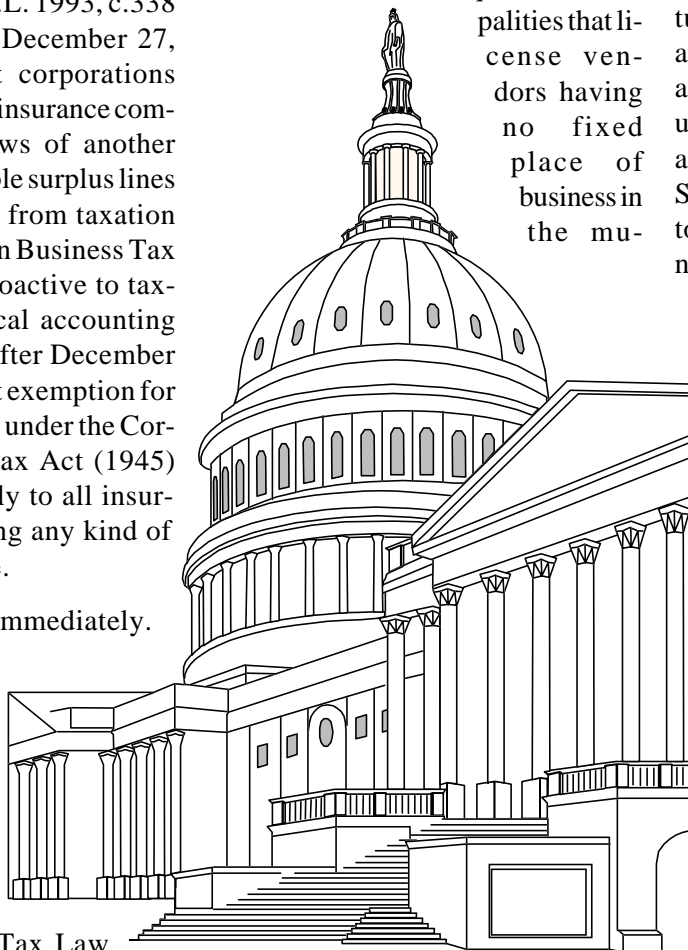
Sales Tax

New Registration Regulations for Businesses – P.L. 1993, c.274 (signed into law on November 24, 1993) requires that a person file a certificate of registration with the Division of Taxation at least *15 business days before commencing business or*

opening a new place of business in this State. This requirement applies both to persons who have a regular place of business in this State, as well as to those who do not.

The bill also provides for improved enforcement of Sales Tax collection by vendors, especially those who do not have a regular place of business in the State.

In addition, this bill requires municipalities that license vendors having no fixed place of business in the mu-



nicipality to require submission of a copy of a valid New Jersey Certificate of Authority to collect Sales Tax as a condition of the issuance of a license.

This bill is effective immediately. However, the new registration requirement is effective on the first

day of the third month following enactment (February 1, 1994).

50% Sales and Use Tax Exemption for Certain Counties – P.L. 1993, c.373 (signed into law on January 10, 1994) provides a 50% sales and use tax exemption, except for motor vehicles, alcoholic beverages and cigarettes, in certain counties in the State which contain an entrance to an interstate bridge or tunnel connecting New Jersey with a state that does not impose a sales and use tax or imposes a sales and use tax at a rate at least five percentage points lower than the rate in this State. This exemption applies only to vendors operating places of business at which items are regularly

exhibited and offered for retail sale and which are not utilized primarily for the purpose of catalogue or mail order sales. The State Treasurer shall annually designate the county or counties in which this exemption applies.

This bill will become effective on July 1, 1994.

State Tax Uniform Procedure

Technical Revision – P.L. 1993, c.331 (signed into law on December 23, 1993) reduces the interest rate on late payments of tax from the prime rate plus five percentage points to the prime rate plus three percentage points and specifies the method for the calculation of the interest rates of the tax laws.

This bill is a technical revision, correcting an interest rate that was omitted from P.L. 1992, c.175, the

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Taxpayers' Bill of Rights. That law made various tax administration provisions uniform for the taxes collected by the Division of Taxation, including the rates of interest charged for deficiencies and paid on refunded overpayments of tax. This bill brings the treatment of late payments of tax into conformity with the treatment of assessed deficiencies under the State Tax Uniform Procedure Law. This bill clarifies the calculation of the assessment and compounding of penalty interest and the interest to be paid on refunds of overpayments and makes technical changes to legal references recently included in the State Tax Uniform Procedure Law by the Taxpayers' Bill of Rights.

This bill is effective immediately, with most provisions retroactive to July 1, 1993.

Urban Enterprise Zones

Additional Zones Named – P.L. 1993, c. 367 (signed into law on January 5, 1994) amends the New Jersey Urban Enterprise Zone Act to allow for the designation of 10 additional enterprise zones from among those areas of qualifying municipalities determined to be eligible. This increases from 10 to 20 the number of zones that can exist at any one time. At least 6 of the 10 additional enterprise zones authorized are to be located in counties in which enterprise zones have not previously been designated. The seven municipalities within these six designated enterprise zones may be entitled to an exemption to the extent of 50% of the tax imposed under the "Sales and Use Tax Act."

Under the bill, new enterprise zones will be established in Perth Amboy, Passaic, Paterson, Phillipsburg, Lakewood and Asbury Park-Long Branch.

This bill becomes effective on April 1, 1994.

Business Tax Workshops

The New Jersey Division of Taxation and the Internal Revenue Service continue to present Small Business Tax Workshops at locations throughout the State. These seminars are designed to acquaint new entrepreneurs with information on registration, employer responsibilities, sales tax, filing procedures and other tax topics.

To attend a workshop, complete the postcard found in the New Jersey Tax Registration Booklet (Publication REG-P) and send it to the New Jersey Division of Taxation, Taxpayer Services Branch, 50 Barrack Street, CN 269, Trenton, NJ 08646-0269. You will receive a reservation form from the IRS listing the dates and locations on the current workshop schedule. You may also request a reservation form by calling the New Jersey Tax Hotline at (609) 588-2200, or the IRS at 1-800-829-1040.

The Spring Schedule for the joint workshops is:

Date	Location Area
April 28	Monmouth County
May 6	Camden County
May 12	Middlesex County
June 2	Monmouth County

New Jersey Tax Assistance

The New Jersey Division of Taxation offers the public a variety of assistance that may be accessed by calling New Jersey Tax Talk at 1-800-323-4400 (Touch-tone phones from within New Jersey only).

New Jersey Tax Talk:

- *Recorded tax information* on many topics including:
 - Gross Income Tax
 - Sales Tax
 - Notices of Delinquency and Adjustment
 - Business Registration
 - Homestead Rebate
 - Benefits for Seniors
 - Property and Inheritance Taxes
 - Form Requests
 - Addresses of State Tax Offices
 - Taxpayers' Bill of Rights
- *Order forms and publications*, including the following Tax Topic Bulletins:
 - GIT-1** Pensions and Annuities
 - GIT-2** IRA Withdrawals
 - GIT-3** Credit for Taxes Paid to Other Jurisdictions
 - GIT-4** Filing Status
 - GIT-5** Exempt Obligations
 - GIT-6** Part-year Residents
 - GIT-7** Military Personnel
 - GIT-8** Estimating Your New Jersey Tax
- *Information on 1993 New Jersey Income Tax Refunds from ARIS* (Automated Refund Inquiry System). You may call ARIS Monday through Friday from 8:00 a.m. to 7:00 p.m. and 9:00 a.m. to 3:00 p.m. on Saturdays. You will need to have the social security number (yours or your spouse's, whichever appears first on the return) and the exact amount of your refund (no cents).

State Tax Regional Offices

The New Jersey Division of Taxation has eight regional offices located throughout the State. These offices are staffed by Taxpayer Services personnel who are there to assist taxpayers with billing notices and unresolved problems.

The offices are well stocked with informational materials such as brochures and Tax Topic Bulletins. The public may also obtain New Jersey tax forms at the offices. A new entrepreneur may register a business. The Trenton office, located in the lobby of the Taxation Building, is the *only*

regional office which will accept payments for New Jersey taxes.

Certain offices are being relocated. We will announce the new locations when they occur. Remember, for a list of our current Regional Office locations, call Tax Talk at 1-800-323-4400 (Touch-tone phones from within New Jersey only).

New Column

We are happy to announce a new feature, *From the Director's Desk*, will appear in the *New Jersey State Tax News* beginning with this issue. This column will include items that the Director would like to call to your

attention, like new information and events, and technical clarifications on New Jersey taxes.

We will also be pleased to provide answers to interesting and unusual State tax questions. Of course, this column will not be a forum to resolve specific tax problems, but rather a place to exchange ideas and information.

We will not be able to return your letters, and we reserve the right to print answers to questions which we believe our readers will find most useful. We welcome your participation. Mail your letters to the address that appears in the column.

from the director's desk

Late Breaking News

Minimum Income Threshold

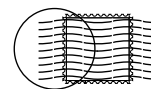
On March 16, 1994, Governor Whitman signed into law P.L. 1994, c.8, which increases the minimum taxable income for Gross Income Tax. For single individuals, estates and trusts, and married couples filing jointly, the income threshold is increased from \$3,000 to \$7,500. For married persons filing separately, the threshold is increased from \$1,500 to \$3,750. This law is effective for 1994 and subsequent tax years.

Reduced Sales Tax in Salem County

Effective July 1, 1994, businesses located in Salem County may collect sales and use tax at a 50% reduction on most retail sales. Under P.L. 1993, c.373, Salem County is the only county in New Jersey currently designated for this sales tax reduction. Detailed information is being sent to county vendors.

Send your questions to:

From the Director's Desk
New Jersey State Tax News
NJ Division of Taxation
CN 281
Trenton, NJ 08646-0281





april 1994

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

April 11

- CWIP-1 Cigarette Tax**—Informational report by wholesalers
- CWIP-2 Cigarette Tax**—Informational report by wholesalers

April 15

- CBT-100 Corporation Business Tax**—Annual return for accounting period ending December 31
- CBT-150 Corporation Business Tax**—Installment payment of estimated tax for 4th, 6th, 9th or 12th month of current tax year

April 15 - continued

- NJ-500 Gross Income Tax**—Employer's semi-monthly return
- NJ-1040 Gross Income Tax**—Resident return for calendar filers
- NJ-1040NR Gross Income Tax**—Nonresident return for calendar filers
- NJ-1041 Gross Income Tax**—Fiduciary return for calendar filers

April 20

- CR-1 & CNR-1 Cigarette Tax**—Monthly report of cigarettes sold or used by distributors, manufacturers,

continued

continued

April 20 - continued

- representatives and consumers
- GA-1D Motor Fuels Tax**—Distributor's monthly report of gallons of fuel sold or used
- GA-1J Motor Fuels Tax**—Jobber's monthly report of gallons of fuel
- MFT-10 Motor Fuels Tax**—Monthly report by seller-user of special fuels for sales and/or use in the previous month
- SCC-5 Spill Compensation and Control Tax**—Monthly return
- ST-20 New Jersey/New York Combined State Sales and Use Tax**—Quarterly return
- ST-50 Sales and Use Tax**—Quarterly return
- ST-250 Combined Atlantic City Luxury Tax/State Sales Tax**—Monthly return
- ST-350 Cape May County Tourism Sales Tax**—Monthly return
- TP-20 Tobacco Products Wholesale Sales and Use Tax**—Monthly return
- UZ-50 Combined State Sales Tax/Urban Enterprise Zone Sales Tax**—Monthly return

April 25

- PPT-40 Petroleum Products Gross Receipts Tax**—Quarterly rtn.

may 1994

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3	4	5	6	7
8	9	10	11	12	13	14
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22	23	24	25	26	27	28
29	30	31				

May 2

- NJ-500 Gross Income Tax**—Employer's semi-monthly return

May 10

- CWIP-1 Cigarette Tax**—Informational report by wholesalers
- CWIP-2 Cigarette Tax**—Informational report by wholesalers

May 16

- CBT-100 Corporation Business Tax**—Annual return for accounting period ending January 31
- CBT-150 Corporation Business Tax**—Installment payment of esti-

continued

May 16 - continued

- NJ-500 Gross Income Tax**—Employer's semi-monthly and monthly returns
- GA-1D Motor Fuels Tax**—Distributor's monthly report of gallons of fuel sold or used

May 20

- CR-1 & CNR-1 Cigarette Tax**—Monthly report of cigarettes sold or used by distributors, manufacturers, representatives and consumers
- GA-1D Motor Fuels Tax**—Distributor's monthly report of gallons of fuel sold or used

continued

May 20 - continued

- GA-1J Motor Fuels Tax**—Jobber's monthly report of gallons of fuel
- MFT-10 Motor Fuels Tax**—Monthly report by seller-user of special fuels for sales and/or use in the previous month
- SCC-5 Spill Compensation and Control Tax**—Monthly return
- ST-21 New Jersey/New York Combined State Sales and Use Tax**—Monthly return
- ST-51 Sales and Use Tax**—Monthly return
- ST-250 Combined Atlantic City Luxury Tax/State Sales Tax**—Monthly return
- ST-350 Cape May County Tourism Sales Tax**—Monthly return
- TP-20 Tobacco Products Wholesale Sales and Use Tax**—Monthly return
- UZ-50 Combined State Sales Tax/Urban Enterprise Zone Sales Tax**—Monthly return

May 25

- PPT-41 Petroleum Products Gross Receipts Tax**—Monthly return

May 31

- NJ-500 Gross Income Tax**—Employer's semi-monthly return

june 1994

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
			1	2	3	4
5	6	7	8	9	10 	11
12	13	14	15 	16	17	18
19	20 	21	22	23	24	25
26	27 	28	29	30 		

June 10

- CWIP-1 Cigarette Tax**—Informational report by wholesalers
- CWIP-2 Cigarette Tax**—Informational report by wholesalers

June 15

- CBT-100 Corporation Business Tax**—Annual return for accounting period ending February 28
- CBT-150 Corporation Business Tax**—Installment payment of estimated tax for 4th, 6th, 9th or 12th month of current tax year
- NJ-500 Gross Income Tax**—Employer's semi-monthly and monthly returns

continued

June 20

- CR-1 & CNR-1 Cigarette Tax**—Monthly report of cigarettes sold or used by distributors, manufacturers, representatives and consumers
- GA-1D Motor Fuels Tax**—Distributor's monthly report of gallons of fuel sold or used
- GA-1J Motor Fuels Tax**—Jobber's monthly report of gallons of fuel
- MFT-10 Motor Fuels Tax**—Monthly report by seller-user of special fuels for sales and/or use in the previous month
- SCC-5 Spill Compensation and Control Tax**—Monthly return

continued

June 20 - continued

- ST-21 New Jersey/New York Combined State Sales and Use Tax**—Monthly return
- ST-51 Sales and Use Tax**—Monthly return
- ST-250 Combined Atlantic City Luxury Tax/State Sales Tax**—Monthly return
- ST-350 Cape May County Tourism Sales Tax**—Monthly return
- TP-20 Tobacco Products Wholesale Sales and Use Tax**—Monthly return
- UZ-50 Combined State Sales Tax/Urban Enterprise Zone Sales Tax**—Monthly return

June 27

- PPT-41 Petroleum Products Gross Receipts Tax**—Monthly return

June 30

- NJ-500 Gross Income Tax**—Employer's semi-monthly return

State of New Jersey
 Department of the Treasury
 Division of Taxation
 Taxpayer Services Branch
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