



## Business Purchases

Bulletin S&U-9

### **Introduction**

*This bulletin provides information on the taxability of business purchases of various goods and services. It explains when a business owner is required to pay sales tax on a purchase, when a sales tax exemption certificate may be used, and indicates when use tax is due. The taxability of services performed on real property (e.g., building repairs or improvements, landscaping) is not discussed in depth here. For more information on this topic, see Tax Topic Bulletin [S&U-2](#), *Sales Tax and Home Improvements*, and [S&U-3](#), *Contractors and New Jersey Taxes*.*

This document is designed to provide guidance to taxpayers and is accurate as of the date issued. Subsequent changes in tax law or its interpretation may affect the accuracy of this publication.

### **General Information**

#### **New Jersey Registration**

Every person or entity engaged in selling taxable goods or services in this State or otherwise conducting or [soliciting business](#) in New Jersey must register with the State for tax purposes. Conducting business includes maintaining a place of business in New Jersey, owning business property here, and employing workers in this State.

For more information about soliciting business in New Jersey see [Notice – Sales and Use Tax Requirement for Out-of-State Sellers to Collect Sales Tax if Soliciting Business in New Jersey](#).

To fulfill the registration obligation, you must file a business registration application (Form NJ-REG) at least 15 business days prior to starting business or opening an additional place of business in New Jersey. If you indicate on your application that you will be collecting sales tax or purchasing materials for resale, you will be sent a New Jersey Certificate of Authority for sales tax (Form CA-1). This certificate is your authorization from the State of New Jersey to collect sales tax and to issue or accept exemption certificates. You may also be required to make a Public Records Filing, depending on the type of business ownership. More information on Public Records Filing is available in the *New Jersey Complete Business Registration Package* ([NJ REG](#)) or by calling 609-292-9292.

You may file Form NJ-REG [online](#) through the Division of Revenue and Enterprise Services' NJ Business Gateway Services. You may also complete the Public Records Filing required for corporations, limited liability companies, limited partnerships, and limited liability partnerships online from this website.

## Streamlined Sales Tax Central Registration

New Jersey is a member state of the Streamlined Sales and Use Tax Agreement (SSUTA). The underlying purpose of the SSUTA is to simplify and modernize the administration of the sales and use tax laws of the member states in order to assist in tax administration and compliance. There is a central online registration system for businesses that wish to register with every member state of the SSUTA, including those that adopt the agreement after the seller registers. Registering through this central system is voluntary. By registering through this system, sellers agree to collect and remit tax on all sales sourced to any full-member state. In addition, a registrant may choose to collect and remit taxes to any or all states that are associate members.

Sellers that register through the central system have the option of choosing among three methods of calculating, reporting, and remitting the tax. These methods involve the selection of a Certified Service Provider (CSP) or a Certified Automated System (CAS), or using the seller's own proprietary system. Sellers may also report and remit tax based on traditional means. Additional information about the SSUTA and the central registration system is available on the [Streamlined Sales Tax Website](#).

## Sales Tax

The New Jersey Sales and Use Tax Act imposes a tax of 7% on the receipts from every retail sale of tangible personal property, specified digital products, certain services, admissions, prepared food, and certain membership fees and parking charges, except as otherwise provided in the Act. In addition, most services performed on tangible personal property are taxable unless they are specifically exempted by law. Tangible personal property is property that can be owned or leased, has a physical presence, and is moveable (with or without difficulty). It is defined to include prewritten computer software delivered electronically.

As a New Jersey business owner, you are required to pay sales or use tax on all purchases of goods and services used by your business which are not held for resale or exempt by law. You are required to pay sales tax on all purchases of office supplies, including furniture, business equipment, and stationery that you use in connection with your business because you are the ultimate consumer of these items. However, businesses may purchase certain tangible personal property and services without paying sales tax if the intended use is specifically exempt under New Jersey law. Examples of exempt-purpose items include production machinery and wrapping supplies. See [Exempt Use Certificate \(Form ST-4\)](#) on page 4.

For more information on the taxability of goods and services, see Tax Topic Bulletin [S&U-4](#), *New Jersey Sales Tax Guide*, and [S&U-6](#), *Sales Tax Exemption Administration*.

**Urban Enterprise Zones** — A qualified business located in one of New Jersey's urban

enterprise zones or UEZ-impacted business districts may apply a partial sales tax exemption to most taxable retail sales, which results in a reduced tax rate of 3.5%.

In addition, a qualified business that is located in an urban enterprise zone is entitled to an exemption from sales and use tax on the purchase of certain taxable goods and services that are for the exclusive use or consumption on the premises of the qualified business at its zone location.

For more information on urban enterprise zones or UEZ-impacted business districts, see the [Urban Enterprise Zone Tax Questions and Answers](#) or visit the [New Jersey Business Portal](#).

## Use Tax

As a New Jersey resident (individual or business) you must pay use tax directly to the State whenever you purchase taxable goods or services that you use in New Jersey and the seller did not collect sales tax, or when you pay sales tax at a rate less than the New Jersey sales tax rate on purchases made in another state. If sales tax is not paid, or was paid at a rate less than the New Jersey rate, you owe use tax if you use or store the goods in New Jersey, unless you hold the goods for resale. The New Jersey use tax rate is 7%, the same as the sales tax rate. The amount of use tax due is based on the purchase price of the item or service, including any delivery charges imposed by the seller.

The following are examples of when use tax is due:

- Internet, catalog, or mail-order purchases — When goods and services are purchased on the Internet, through the mail, or over the

phone and those items are normally subject to New Jersey sales tax, 7% use tax is due if New Jersey sales tax was not paid.

- Buying goods in a state with no sales tax (e.g., Delaware) to bring back to New Jersey — 7% use tax is due to New Jersey.
- Buying from an out-of-State seller who ships or delivers goods to the purchaser in New Jersey and does not charge sales tax — 7% use tax is due to New Jersey.
- Buying from an out-of-State seller who charges sales tax at a rate lower than New Jersey's — Use tax is due to New Jersey on the difference between New Jersey's 7% sales tax rate and the tax rate in the other state, provided that New Jersey has reciprocity with the other state. For example, if 5% sales tax was paid in another state, 2% use tax is due to New Jersey.
- Buying from a foreign country and either bringing the goods back into this country or shipping them through customs — The full 7% use tax is due to New Jersey. No credit is allowed for tax paid to a foreign country.
- Sending goods out of State for repair and having them shipped back to New Jersey — 7% use tax is due to New Jersey if sales tax was not paid.

**NOTE:** If you purchase tangible personal property or services outside of New Jersey that are entitled to exemption in New Jersey (e.g., production machinery), you are not required to remit use tax.

For more information on use tax, see publication [ANJ-7, Use Tax in New Jersey](#).

**Remitting Use Tax** — Businesses registered with New Jersey for sales tax purposes report use tax on New Jersey Sales and Use Tax Returns (Forms ST-50 and ST-51). Certain “Non-seller” businesses (i.e., businesses that are registered with New Jersey but neither sell taxable goods or services nor lease or rent taxable property to others) may be eligible to remit use tax annually on purchases where sales tax was not paid or paid at a rate lower than New Jersey’s. You may file an Annual Business Use Tax Return (Form ST-18B) only if you are a non-seller whose average annual use tax liability for the three preceding calendar years was \$2,000 or less. If your average annual use tax liability was more than \$2,000, or if you are a seller, you must use Forms ST-50 and/or ST-51. For more information on filing sales and use tax returns, see Tax Topic Bulletin [S&U-7](#), *Filing Sales and Use Tax Returns (Forms ST-50/ST-51)*.

## Exemption Certificates

In certain situations, a business may use an exemption certificate to purchase goods or services without paying sales tax. Each New Jersey exemption certificate has a specific use.

### Resale Certificate ([Form ST-3](#))

A business that purchases tangible personal property with the intention of reselling it, either in its present form or after it has been incorporated into other property held for sale, may issue a Resale Certificate (Form ST-3) to the seller in lieu of paying sales tax. A business may also issue Form ST-3 to purchase certain services without paying sales tax. Sales tax is collected when the property or services are subsequently sold at retail. A resale certificate may be issued to purchase:

- Inventory which is intended for resale, rent, or lease
- Property which is actually transferred to the purchaser of a taxable service in conjunction with the performance of such service
- Raw materials which will become component parts of a finished product
- Services for resale
- Services performed on tangible personal property held for resale

### Exempt Use Certificate ([Form ST-4](#))

An Exempt Use Certificate (Form ST-4) may be used to purchase packaging supplies, production machinery, and certain other items without paying sales tax provided that the way the item(s) are *used* is specifically exempt under New Jersey law. Qualified exempt purchases for which an exempt use certificate may be issued include, but are not limited to:

- Advertising materials to be published in a newspaper
- Certain aircraft and equipment
- Certain broadcasting equipment
- Certain buses
- Certain chemicals and catalysts
- Certain commercial trucks and trailers
- Certain prewritten software delivered electronically
- Certain property used in the production of film and video for sale
- Commercial fishing boats
- Commercial printing machinery and equipment

- Printed advertising material for out-of-State distribution and mail processing services related to the distribution of such materials
- Newspaper production machinery
- Nonreturnable packaging/wrapping materials
- Production machinery and equipment
- Recycling equipment
- Research and development materials
- Telecommunications equipment (sold to a telecommunications service provider)

For more information on using exemption certificates, see Tax Topic Bulletin [S&U-6](#), *Sales Tax Exemption Administration*.

### **Streamlined Sales and Use Tax Agreement Certificate of Exemption (Form ST-SST)**

A purchaser may use the Streamlined Sales and Use Tax Agreement Certificate of Exemption (ST-SST) in lieu of most New Jersey exemption certificates to claim exemption from sales tax in New Jersey. However, the purchaser must complete the form according to the instructions. The State of New Jersey requires that a State tax identification number, a Federal employer identification number, or a driver's license number (for individual purchasers) be included. If a valid New Jersey exemption reason is not listed on Form ST-SST, then under Section 5, "Reason for Exemption," the purchaser must check "L" for "Other" and enter the exemption basis on the line provided. Some common New Jersey exemptions that are not listed are: recycling equipment, commercial motor vehicles, wrapping/packaging materials, research and development, and commercial printing.

A purchaser cannot use the ST-SST certificate to claim exemption on the basis of religious, educational, or charitable purposes because such organizations are required to separately apply and obtain approval by the Division in order to be granted exemption. Certain other exemptions that require businesses to apply and meet certain statutory criteria, such as taxpayers that qualify for exemption under the Urban Enterprise Zone Program or the Business Retention and Relocation Assistance Grant Program also cannot be claimed using the ST-SST certificate.

### **Purchases of Tangible Personal Property Equipment**

When you purchase office equipment (e.g., fax machines, copiers, computers, desks, etc.) and office supplies (e.g., stationery, paper towels, pens, pencils) for use in your business, you are required to pay sales tax. If you purchase any of these items and do not pay sales tax at the time of purchase, you owe use tax.

#### ***Example***

Taylor Lynn purchased a computer through a mail-order company located in Tennessee. The company does not have an office in New Jersey and is not registered to collect New Jersey sales tax. They bill her \$2,599 for the equipment plus a \$50 shipping charge. Since the item purchased is subject to tax, the shipping charge is also subject to tax. Taylor must remit \$185.43 use tax ( $\$2,649 \times .07 = \$185.43$ ) to New Jersey because sales tax was not collected by the seller.

## Leasing

A lessor must collect sales tax from a lessee (person who leases or rents property) on a lease or rental. For leases or rentals with a term of *six months or less*, the lessor must collect sales tax with each periodic payment. For leases or rentals of *more than six months*, the full amount of tax is due up front in the period in which the lessee takes delivery of the property.

For transactions with a term of more than six months, the lessor must calculate the tax using either the original purchase price of the property or the total of the payments required under the agreement, including interest charges directly paid by the lessee. When the lessee pays sales tax on the purchase price, it does not have to be paid again if the lease is renewed or if the same property is subsequently leased to another party.

More information on leases and rentals is available on the Division's [website](#).

## Computer Software

In general, prewritten software is subject to sales tax as tangible personal property, even if it is delivered electronically. There is an exemption for *electronically delivered* software that is used exclusively in the conduct of the purchaser's business, trade, or occupation; however, software purchased in the form of CD-ROMs, disks, or other tangible media is taxable, regardless of whether it is for business or personal use. A license to use software is treated in the same manner as a sale of the actual software itself.

Custom software is software that is created, written, and designed for the exclusive use of a specific customer and sold only to the customer

for whom it was created. Custom software is not subject to tax because it is viewed as a nontaxable professional service transaction. Sales of truly custom software are uncommon.

Software sold to business customers often consists of prewritten software that is modified to meet the needs or requirements of each purchaser. Modification refers to any action, other than installing or servicing software, performed to enhance, improve, or customize the software. Often modification involves changes or additions made to programming code. The underlying software is subject to tax (unless it is delivered electronically and is for the exclusive use of a business); however, a commercially reasonable and separately stated charge for the modification services can be excluded from the taxable receipt. The installation and servicing of prewritten software is taxable. Servicing includes common in-person or remote services such as configuration and troubleshooting.

For more information on computer software, see Technical Bulletin [TB-51R](#), *Taxability of Software*.

## Employee Incentives, Giveaways, Awards

When you purchase items to be used as employee incentives, giveaways, and/or awards, you must pay sales tax. If you purchase items intended for resale using a Resale Certificate (Form ST-3) which later become giveaways and/or awards, you owe use tax on the purchase price of the items.

## Packaging/Wrapping Supplies

The sales of nonreturnable materials used to contain, protect, wrap, and ship property are

exempt from New Jersey sales tax. You may issue an Exempt Use Certificate (Form ST-4) to your supplier when purchasing these items and not pay sales tax. To qualify for the exemption you must use the packaging materials in the delivery of property. Inventory storage containers are not considered to be exempt packaging materials, nor are materials used within your business facility. However, containers that are used in a farming enterprise are exempt.

**Example**

Brittany James owns a company that manufactures radios. In order to deliver the radios to wholesalers, she must package them in cardboard boxes and seal the boxes with tape. When Brittany purchases the boxes and rolls of tape, she issues her supplier an Exempt Use Certificate (Form ST-4) and does not pay sales tax. However, she may not use Form ST-4 when purchasing tape dispensers, because they are not part of the packaging used to deliver the radios.

**Example**

XYZ moving company purchases nonreturnable supplies such as boxes and bubble wrap which are used to contain and protect their customers' goods during a move. XYZ issues an ST-4 exemption certificate when purchasing the boxes and bubble wrap and does not pay sales tax.

## Newspapers, Magazines, and Books

The sales of newspapers are exempt from sales tax. The sales of subscriptions for magazines and periodicals are exempt even if the purchaser accesses them electronically. Magazines sold as single copies are taxable when sold in printed

form; however, they are exempt when delivered electronically. Membership periodicals are also exempt. A "membership periodical" is any periodical distributed by a nonprofit organization to its members as a benefit of membership in the organization. N.J.S.A. 54:32B-8.5(b). For more information, see [ANJ-21](#), *Newspapers, Magazines, Periodicals & New Jersey Sales Tax*.

Sales of books, both hardback and softback, including sales of the Bible or other sacred scripture, are taxable whether the book is delivered in hard copy or electronically.

## Research and Development

Materials that you purchase to use or consume directly and exclusively in research and development in the experimental or laboratory sense are exempt from sales tax provided that you give an Exempt Use Certificate (Form ST-4) to your supplier at the time of purchase. For more information on the exemptions available to research and development businesses, see Tax Topic Bulletin [S&U-6](#), *Sales Tax Exemption Administration*.

## Purchases of Services

### Advertising

Most advertising *services* are exempt from New Jersey sales and use tax. However, mail processing services are subject to tax if the printed advertising material will be distributed to recipients within New Jersey. Advertising *material* is generally subject to New Jersey sales and use tax as tangible personal property.

*Advertising services* means all professional services rendered in the creation of advertising,

promotional, and/or public relations material, including most creative/preparation, preproduction, and administrative services performed for the purpose of producing such material.

As a rule, exempt advertising services are performed by an advertising services provider “prior to the final delivery” of a computer disk, mechanical, or other similar medium to a client, printer, service bureau, or other seller of tangible personal property for the purpose of producing advertising and/or promotional material. “Final delivery” is deemed to occur after all alterations to copy, design, and formatting have been completed, including any necessary computer retouching and high-resolution scanning. The disk, mechanical, or similar medium itself is deemed to be inconsequential to the professional services and as such is not subject to tax.

Creative services contracted by and performed for an advertising service provider by freelance creative professionals such as copywriters and artists are not subject to tax when billed to the service provider or subsequently, when the service provider bills the client. However, the sale of artwork itself (illustrations, logos, etc.) is the sale of tangible personal property and is taxed as such.

Because advertising agencies do not charge clients tax on their professional services they are deemed to be the retail purchasers of most tangible personal property and services used in rendering those advertising services. Materials and services directly incorporated into advertising services are generally considered expenses incurred by the advertising service provider in the performance of nontaxable services. The

advertising service provider must pay sales tax when making such purchases and may not claim a resale exemption. However, charges for scanning and retouching services to photography and artwork performed in conjunction with creative advertising services may be taxable to the client in certain circumstances. The advertising service provider may issue a Resale Certificate (Form ST-3) when purchasing tangible personal property or services (e.g., scanning and retouching services) for which the client will be charged sales tax.

**NOTE:** Advertising-related services are taxable if they also belong to some other category of taxable service. For example, imprinting logos on promotional items supplied by the customer is a taxable imprinting service; installing an electrical advertising display is a taxable installation service.

***Example***

An advertising agency pays \$1,000 to a stock photo house for the right to use some illustrations (photographs, etc.) in the promotional material it is preparing for a client. The stock photo house charges the agency 7% sales tax on the fee for the use of the illustrations. The agency performs creative and other nontaxable preproduction services valued at \$9,000 to complete the promotional piece and then invoices its client a total of \$10,070 (assuming no markup is added to the \$1,070 expense incurred for license-to-use artwork). No tax is due from the client.

*Mail processing services* means the physical processing services performed in connection with the dissemination of printed advertising



material. Such services include, but are not limited to, folding, inserting, sorting, bagging, sealing, stamping, and affixing labels and postage to printed advertising material. Charges for mail processing services are taxable when performed on printed advertising material that will be distributed within New Jersey.

Delivery charges imposed by the seller of a taxable service are subject to tax. Delivery charges include postage, even if separately stated. Thus, postage charged by the mailer is subject to tax if the mail processing service is taxable.

**Example**

Beth's Boutique contracts for "space" in a monthly publication that is mailed to all households within its zip code. The publication is mostly filled with advertisements but contains a small portion of fashion-related or general interest articles. The seller of the publication bases the charges to Beth's Boutique on the size of the ad and/or the number of households to which the materials are delivered. Since printed advertising materials and mail processing services for printed advertising materials are specifically taxable and the transaction as a whole is for more than "space," the charge to Beth's Boutique is taxable as mail processing services for printed advertising materials. Thus, Beth's Boutique must pay sales tax to the seller of the publication on the mail processing services for printed advertising materials provided in connection with the distribution of the printed advertising materials to New Jersey recipients.

**Example**

Robert Williams hires an advertising firm to prepare and distribute flyers promoting

his business to 20,000 households, 5,000 of which are located in New Jersey. Robert must pay sales tax on the portion of the charges related to the flyers delivered to recipients in New Jersey, including any charges for mail processing services and delivery, including postage, paid by the advertising firm and billed to Robert.

*Advertising material* means anything produced in a tangible form which is intended to attract public notice and attention, and includes all forms of announcement which aid directly or indirectly in furthering public notice of a business, commodity, service, or entertainment.

Although most advertising materials are subject to sales tax, the New Jersey Sales and Use Tax Act provides a specific exemption from tax for all advertising services *and materials* (including inserts) used to create, prepare, and place advertisements in a newspaper or magazine. The materials exemption includes the purchase of photographs and artwork (and any scanning or retouching of such photos and artwork) that will be incorporated into newspaper or magazine advertising. The advertising service provider will issue an Exempt Use Certificate (Form ST-4) to the seller.

Charges for the sale or rental of advertising space are exempt from sales tax. This includes charges for leasing or renting advertising space on billboards, buses, websites, etc.

**Internet Services**

**Website Design**—Charges for creating and/or designing a website for advertising or promotional purposes are exempt from New Jersey sales tax in the same way that charges for the

design of a brochure or other advertising material are exempt.

**Website Internet Storage**—Charges for hosting a web page are exempt from sales tax.

**Internet Consulting**—Charges for consulting services are generally exempt from sales tax as professional services provided that the charges are separately stated on the invoice.

**Online Access Services**—Charges to access the Internet are not subject to sales tax.

## **Maintenance and Repair Services**

**Real Property**—You are required to pay sales tax on all charges for services performed in conjunction with maintaining, servicing, or repairing real property (i.e., land, buildings). For more information on the taxability of real property maintenance and repair services, see Tax Topic Bulletin [S&U-2](#), *Sales Tax and Home Improvements*, or [S&U-3](#), *Contractors and New Jersey Taxes*.

Charges for general home and office cleaning (janitorial services), including window washing services, are subject to sales tax whether or not the services are performed on a regular contractual basis. Charges for rug and carpet cleaning and cleaning of upholstered fabrics, including draperies, are also subject to sales tax.

Charges for the removal of garbage, rubbish, trash, and recyclables are exempt from sales tax when the services are performed for the same customer on a regular contractual basis for a term of not less than 30 days. Charges for parking lot sweeping, snow plowing, and lawn maintenance are all services that are subject to sales

tax in New Jersey, whether or not the services are performed on a regular contractual basis.

**Tangible Personal Property**—You are required to pay sales tax on all charges for maintaining, servicing, or repairing tangible personal property. A maintenance contract (for computer hardware, electronic equipment, etc.) is considered to be a prepayment for taxable services to tangible personal property, and is subject to sales tax when the contract is purchased. Sales tax is not imposed on either the charge for parts or the charge for services performed under the maintenance contract if the service is covered under the contract. If the customer is required to meet a deductible under the agreement, the deductible payment is subject to New Jersey sales tax when made in connection with a repair service.

### **Example**

When EvironCo has a service technician come to their office to repair a computer, the charges, if any, incurred for parts and labor are subject to sales tax. However, if the computer was covered by a maintenance contract, there would be no tax due on the parts or labor for a qualified repair. Only the deductible, if required, would be subject to tax.

## **Printing and Reproduction Services**

You are required to pay sales tax on all purchases of printing and reproduction services. Printing services include purchases of business cards, stationery, engraved items, etc. If you purchased these items without paying sales tax, you owe use tax on the total amount of the purchase.

## Professional Services

You are not required to pay sales tax on charges for professional services such as consultation, inspection, typing, legal, accounting, or payroll services.

## Information Services

You are required to pay sales tax on the purchase of information services when those services are received in New Jersey. Information services mean the furnishing of information of any kind, which has been collected, compiled, or analyzed by the seller, and provided through any means or method, other than personal or individual information which is not incorporated into reports furnished to other people. For more information, see publication [ANJ-29](#), *Information Services and New Jersey Sales Tax*.

## Storage

You are required to pay sales tax on charges for:

- Storing tangible personal property
- Rental of safe deposit boxes or similar space
- Rental of space for storage (e.g., self-storage unit)

Space for storage means secure areas, such as rooms, units, compartments, or containers, whether accessible from outside or from within a building, that are designated for the use of a customer, where the customer has free access within reasonable business hours, or upon reasonable notice to the furnisher of the space, to store and retrieve property. Space for storage does not include the lease or rental of an entire building, such as a warehouse or airplane hangar.

Charges for storage space or storage services for property that is held for sale (e.g., business

inventory) are not subject to sales tax. You must issue a Resale Certificate (Form ST-3) to the provider of the storage space or services to claim the exemption.

For more information, see publication [ANJ-26](#), *Space for Storage and New Jersey Sales Tax*.

## Telecommunications Services

Charges for telephone service, pager, cellular phone, and fax services are subject to sales tax in New Jersey, as are the charges for the equipment itself. Charges for repair or maintenance services for telephones or telephone equipment are also subject to sales tax.

## Telephone Answering Services

Telephone answering services are subject to sales tax in New Jersey. Only telephone answering services that are received by the customer in New Jersey are subject to tax.

### *Example*

Dr. Smith's office is located in Princeton, New Jersey. Dr. Smith hires Telephone Answering Services, Inc. to answer the telephone and relay patient messages to him when the office is closed. Dr. Smith must pay tax on the telephone answering service since the service was received in New Jersey.

## Investigation and Security Services

Charges for investigation and security services are subject to sales tax. This includes investigation and detective services, security guard and patrol services, armored car services, and security systems services, including installing and repairing alarm systems and alarm monitoring

services. For additional information on investigation and security services, see publication [ANJ-28](#), *Investigation and Security Services and New Jersey Sales Tax*.

**Alarm Systems.** Sales of alarm systems are taxable when purchased without an installation agreement. The installation of fire, burglar, and alarm systems is a taxable service; therefore, the capital improvement exemption no longer applies.

### Miscellaneous Services

You are required to pay sales tax on the following transportation charges:

- Delivery charges billed to you by the seller for taxable items you purchased. No tax is imposed on delivery charges for nontaxable items.

- Limousine services that originate and terminate within New Jersey, except in connection with funeral services.
- Transportation or transmission of natural gas and electricity.

Transportation charges such as shipping (United Parcel Service, FedEx, etc.), postage, and courier services are exempt from tax when you purchase those services directly. For example, when *you* mail a package you do not pay sales tax on the postage. However, when you purchase taxable items and the *seller* bills you for the postage to ship those items, you must pay sales tax on the shipping (postage) charges.

## For More Information

### Online

- Division of Taxation website:  
[www.state.nj.us/treasury/taxation/](http://www.state.nj.us/treasury/taxation/)
- Email general State tax questions:  
[nj.taxation@treas.nj.gov](mailto:nj.taxation@treas.nj.gov)  
Do not include confidential information such as social security or Federal tax identification numbers, liability or payment amounts, dates of birth, or bank account numbers in your email.
- Subscribe to *NJ Tax E-News*, the Division of Taxation's online information service, at:  
[www.state.nj.us/treasury/taxation/listservic.shtml](http://www.state.nj.us/treasury/taxation/listservic.shtml)

### In Person

Visit a New Jersey Division of Taxation regional office. For the address of the regional office nearest you call the Automated Tax Information System at 1-800-323-4400 or visit [www.state.nj.us/treasury/taxation/ot1.shtml](http://www.state.nj.us/treasury/taxation/ot1.shtml).

### By Phone

- Call the Division of Taxation's Customer Service Center at **609-292-6400**.
- Text Telephone Service (TTY/TDD) for Hard-of-Hearing Users: **1-800-286-6613** (toll-free within NJ, NY, PA, DE, and MD) or **609-984-7300**. These numbers are accessible *only* from TTY devices. Submit a text message on any New Jersey tax matter and receive a reply through NJ Relay Services (711).

### In Writing

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

## Forms and Publications

- Visit the Division of Taxation's website:  
Forms — [www.state.nj.us/treasury/taxation/forms.shtml](http://www.state.nj.us/treasury/taxation/forms.shtml)  
Publications — [www.state.nj.us/treasury/taxation/pubs.shtml](http://www.state.nj.us/treasury/taxation/pubs.shtml)
- Call NJ TaxFax at **609-826-4500** from your fax machine's phone. (**Note:** Effective June 1, 2015, the NJ TaxFax service will be discontinued.)
- Call the Forms Request System at **1-800-323-4400** (within NJ, NY, PA, DE, and MD) or **609-826-4400** (Touch-tone phones only) to have printed forms or publications mailed to you. **Note:** Due to budgetary constraints, supplies are limited and only certain forms and publications can be ordered through this System.