

ASSEMBLY, No. 1899

STATE OF NEW JERSEY

220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

Sponsored by:

Assemblyman P. CHRISTOPHER TULLY

District 38 (Bergen and Passaic)

Assemblywoman BRITNEE N. TIMBERLAKE

District 34 (Essex and Passaic)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Co-Sponsored by:

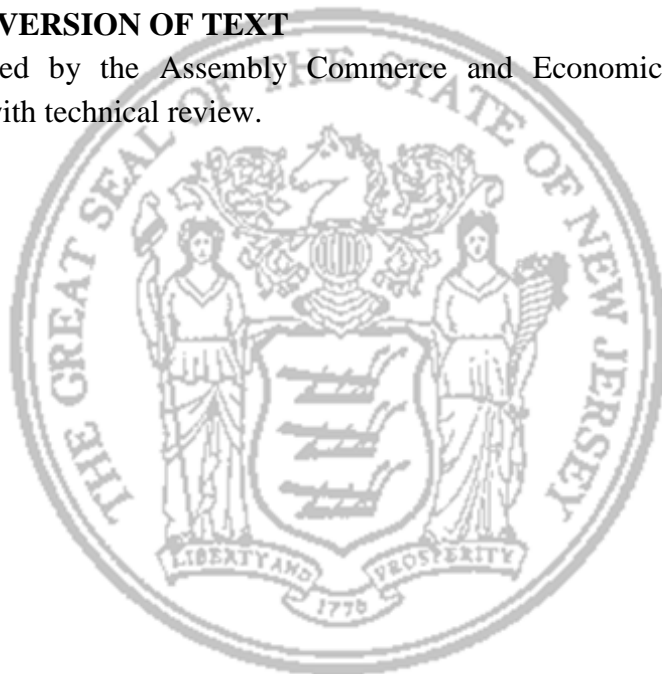
**Assemblywomen Swain, Lopez, Mosquera, Assemblymen Freiman, Auth
and Assemblywoman DeFuccio**

SYNOPSIS

Provides temporary exemption under sales and use tax for winterizing certain small business operations.

CURRENT VERSION OF TEXT

As reported by the Assembly Commerce and Economic Development Committee with technical review.



(Sponsorship Updated As Of: 5/2/2022)

1 **AN ACT** providing a temporary exemption under the sales and use
2 tax for winterizing certain small business operations.

3

4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

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7 1. a. Receipts from sales of materials, supplies, or services made
8 to a small business for exclusive use in winterizing the small business,
9 including improving, altering, or repairing real property of the small
10 business, shall be exempt from the tax imposed pursuant to the “Sales
11 and Use Tax Act,” P.L.1966, c.30 (C.54:32B-1 et seq.), for the
12 duration of the exemption period.

13 b. In order to claim the exemption provided pursuant to this
14 section, a small business shall file an exemption application with the
15 Director of the Division of Taxation in the Department of the Treasury
16 within 60 days after the date of enactment of P.L. , c. (C.)
17 (pending before the legislature as this bill). A small business shall
18 only be allowed to file one exemption application with the director.

19 c. The exemption application shall include a list of purchases
20 made by or services rendered to the small business that qualify for the
21 exemption, the price of each item listed on the application, the date
22 each purchase was made or service was rendered, and a declaration by
23 the small business that the items listed for which an exemption was
24 applied were exclusively used in winterizing the small business for
25 outdoor operations. The director may require a small business to
26 submit such documentation, records, receipts, or other information as
27 deemed necessary to verify that the small business applying for the
28 exemption meets the criteria set forth to claim the exemption and is a
29 small business.

30 d. If a small business willfully and knowingly falsifies any
31 document, record, receipt, or other information required by the director
32 to claim the exemption provided pursuant to this section, that small
33 business shall be subject to a penalty of \$100 for a first offense and
34 \$200 for each subsequent offense thereafter.

35 e. If the director determines that a small business is entitled to an
36 exemption after successfully submitting an exemption application, the
37 small business shall be entitled to a refund equal to the amount of sales
38 tax paid for each item purchased or service rendered that qualifies
39 pursuant to this section. The refund shall be paid to the small business
40 within 45 days of the submission of an exemption application.

41 f. As used in this section:

42 “Exemption period” means the period of time starting on
43 September 1, 2020 and ending on March 31, 2021.

44 “Small business” means any business that is independently owned
45 and operated and employs fewer than 20 full-time employees.

46 “Winterizing the small business” means any items purchased or
47 services rendered to a small business for the exclusive use or purpose
48 of conducting normal customer-facing operations, which are

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1 customarily provided indoors, outdoors during the fall and winter
2 seasons due to the COVID-19 pandemic, including, but not limited to,
3 the purchase of products to melt or remove snow and ice, tents, and
4 space heaters.

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6 2. This act shall take effect immediately.