

SENATE, No. 69

STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator ROBERT W. SINGER

District 30 (Monmouth and Ocean)

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District 31 (Hudson)

SYNOPSIS

Eliminates requirement to submit sales tax exemption form for textbook purchases.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning the sales tax exemption for textbooks,
2 amending P.L.1980, c.105.

3

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

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7 1. Section 33 of P.L.1980, c.105 (C.54:32B-8.21) is amended
8 to read as follows:

9 33. Receipts from sales or rentals of school textbooks **【for use**
10 by students in a school, college, university, or other educational
11 institution, approved as such by the Department of Education or by
12 the New Jersey Commission on Higher Education, when the
13 educational institution, upon forms and pursuant to regulations
14 prescribed by the director, has declared the books are required for
15 school purposes and the purchaser has supplied the seller with the
16 form at the time of the sale**】** , whether new or used, in electronic or
17 other form, are exempt from the tax imposed under the Sales and
18 Use Tax Act.
19 (cf: P.L.2005, c.126, s.11)

20

21 2. This act shall take effect on the first day of the first calendar
22 quarter beginning at least 30 days following enactment.

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25 STATEMENT

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27 This bill eliminates the requirement that, for a purchase to be
28 eligible for the sales tax exemption for textbooks, purchasers must
29 provide the seller with a tax exemption form. In addition, the school
30 will no longer need to declare the textbooks required for school, and
31 the school will not need to be a school approved by the Department
32 of Education or Secretary of Higher Education.

33 Currently, sales and rentals of textbooks for use by students are
34 exempt from sales tax. However, the purchaser must provide the
35 seller with a form stating that the purchaser is a student and the
36 particular book is required for school. When purchasing textbooks
37 at a school bookstore, the process is usually streamlined as the
38 bookstore has access to enrollment data and syllabi. In contrast,
39 when purchasing from online sellers the requirement to supply the
40 seller with a form can be particularly onerous.

41 Pursuant to this bill, school textbooks will not need to be
42 accompanied by a form for the purchase to be exempt from sales
43 tax. In addition, the bill clarifies that rentals are included in the
44 exemption, and regardless of what condition or form the book is in,
45 the exemption will apply.

EXPLANATION – Matter enclosed in bold-faced brackets **【thus】 in the above bill is not enacted and is intended to be omitted in the law.**

Matter underlined thus is new matter.