

**LEGISLATIVE FISCAL ESTIMATE**

**SENATE, No. 158**

**STATE OF NEW JERSEY**

**208th LEGISLATURE**

DATED: APRIL 16, 1998

Senate Bill No. 158 of 1998 allows certain charitable and public safety organizations to make sales tax-exempt sales at certain shops.

Currently, certain charitable and public safety organizations are allowed a sales tax exemption for the purchases and sales they make in relation to their public purposes. However, no exemption is allowed for sales made through a shop or store.

The bill allows the exempt charitable and public safety organizations to make sales tax-exempt sales at stores that meet two limiting requirements: substantially all of the work must be done by volunteers and substantially all of the store's merchandise must have been donated.

Because of the limitations on the exemption provided by the bill, that the shops must sell donated merchandise and be staffed by volunteers, the Office of Legislative Services (OLS) anticipates that no substantial revenue loss will result from this bill. OLS notes further that a substantial part of the sales of volunteer thrift stores selling donated merchandise is the sale of clothing, which is already exempt from the sales and use tax.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.