

ASSEMBLY SENIOR ISSUES AND COMMUNITY SERVICES
COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 158

STATE OF NEW JERSEY

DATED: JUNE 15, 1998

The Assembly Senior Issues and Community Services Committee favorably reports Senate Bill No. 158 (1R).

This bill allows certain charitable and public safety organizations to make tax exempt sales of donated property at certain shops.

Currently, various charitable and public safety organizations are allowed a tax exemption for the purchases and sales they make in relation to their public purposes. (These exempt organizations include (1) any organization operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or for the prevention of cruelty to children or animals, (2) any voluntary fire company and any rescue, ambulance, first aid or emergency company or squad, and (3) any parent-teachers association.) However, no exemption is allowed to these organizations for retail sales of tangible personal property that they make through a shop or store.

The bill allows the exempt charitable and public safety organizations to make tax-exempt sales of tangible personal property received by gift or contribution at stores that meet two limiting requirements: substantially all of the work at the stores must be done by volunteers, and substantially all of the store's merchandise must have been donated. "Substantially all" is intended to have the same meaning it has in a parallel federal statute: all except an inconsiderable amount.