

**SALES AND USE TAX REVIEW COMMISSION  
RECOMMENDATION PURSUANT TO P.L. 1999, C. 416**

**BILL NUMBER:**

A-3602

**DATE OF INTRODUCTION:**

January 13, 2009

**SPONSOR:**

Assemblywoman McHose  
Assemblyman Chiusano

**DATE OF RECOMMENDATION:**

March 11, 2009

**IDENTICAL BILL:**

**COMMITTEE:**

Assembly Appropriations Committee

**DESCRIPTION:**

This bill carves out stall rentals from the recent imposition of sales tax on the furnishing of space for storage and establishes a new exemption for “equine-related services rendered in connection with the boarding of the horse, pony, mule, donkey or hinny while...boarded by the keeper of a livery stable or a boarding and exchange stable.”

**ANALYSIS:**

Under the provisions of this bill, the recent imposition of sales tax on space for storage is being chipped away to exclude stall rentals. The Commission has consistently taken the position that the new areas of imposition that came into effect under P.L.2006, c. 44 should not be undermined.

Further, the services which are the subject of the proposed exemption have always been subject to sales tax as services to tangible personal property. No justification was advanced that would rationalize creating a new exemption now when the State is in such a tenuous fiscal position.

**RECOMMENDATION:**

The Commission does not recommend enactment of this legislation.

**COMMISSION MEMBERS FOR PROPOSAL: 0**

**COMMISSION MEMBERS AGAINST PROPOSAL: 8**

**COMMISSION MEMBERS ABSTAINING: 0**