

4. Sellers not registered under the SSUTA, and registered in New Jersey, may file an SER. If choosing to file an SER, such sellers shall file part 1 of the SER every month. Sellers not registered pursuant to the SSUTA, and registered in New Jersey, that elect not to file an SER shall file returns on a monthly or quarterly basis in the same manner as sellers that are registered in New Jersey and did not register pursuant to the SSUTA. Such sellers who elect to file an SER, shall give at least three months notice of the seller’s intent to discontinue filing an SER.

5. The Division has adopted web services as the standardized transmission process that allows for receipt of uniform tax returns and other formatted information as approved by the Governing Board. This process provides for the filing of separate returns for multiple legal entities in a single transmission and does not include any requirement for manual entry or input by the seller of any of the aforementioned information. This process allows a CSP, a tax preparer, or any other person authorized to do so, to file returns for more than one seller in a single electronic transmission. However, sellers filing returns for multiple legal entities may only do so for affiliated legal entities.

6. The Division will provide notice to a seller, registered pursuant to the Agreement, which has no legal requirement to register in New Jersey, for a failure to file a required return and a minimum of 30 days to file thereafter prior to establishing a liability amount for taxes based solely on the seller’s failure to timely file a return. However, the Division may establish a liability amount for taxes based solely on the seller’s failure to timely file a return if such seller has a history of non-filing or late filing.

18:24B-1.4 Rules for remittance of tax

(a)-(g) (No change.)

(h) The Division has adopted a standardized transmission process approved by the Governing Board that allows for the remittance in a single electronic transmission of a single (bulk) payment for taxes reported on multiple SERs by affiliated entities, CSPs, or preparers.

18:24B-1.6 Registration of sellers

(a) The Division, in conjunction with the Governing Board, shall provide an online registration system that allows sellers to register in all the member states and other states electing to utilize the registration system.

(b) A seller registering pursuant to the Agreement may register in one or more of the states utilizing the central registration system provided in the Agreement.

(c) By registering, the seller agrees to collect and remit sales and use taxes for all taxable sales into the states in which the seller elected to register. Withdrawal or revocation of a member state shall not relieve a seller of its responsibility to remit taxes previously or subsequently collected on behalf of that state.

(d) (Reserved)

(e) The Division does not require the payment of any registration fees or other charges for a seller to register through the central registration system.

(f)-(j) (No change.)

(k) If New Jersey withdraws or is expelled from the Agreement, it will not use registration with the central registration system as the sole factor in determining whether the seller has nexus with New Jersey for any tax at any time.

(l) A certified service provider may require a seller registering pursuant to the Agreement, as a condition of receiving CSP services, to register in all of the full member states.

18:24B-1.8 Confidentiality and privacy protections pursuant to Model

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(a)-(c) (No change.)

(d) The Governing Board may certify a CSP only if that CSP certifies that:

1.-2. (No change.)

3. It provides consumers clear and conspicuous notice of its information practices, including what information it collects, how it collects the information, how it uses the information, how long, if at all, it retains the information, and whether it discloses the information to member states. Such notice shall be satisfied by a written privacy policy statement accessible by the public on the official website of the CSP;

4. Its collection, use, and retention of personally identifiable information will be limited to that required by the Division to ensure the validity of exemptions from taxation that are claimed by reason of a consumer’s status or the intended use of the goods or services purchased, and for documentation of the correct assignment of taxing jurisdictions; and

5. It provides adequate technical, physical, and administrative safeguards so as to protect personally identifiable information from unauthorized access and disclosure.

(e)-(j) (No change.)

(a)

**DIVISION OF TAXATION
Notice of Readoption
Corporation Business Tax Act
Readoption: N.J.A.C. 18:7**

Authority: N.J.S.A. 54:10A-27 and 54:50-1.

Authorized By: Marita Sciarrotta, Acting Director, Division of Taxation.

Effective Date: February 20, 2024.

New Expiration Date: February 20, 2031.

Take notice that pursuant to N.J.S.A. 52:14B-5.1.c, N.J.A.C. 18:7 was scheduled to expire on May 18, 2024. N.J.A.C. 18:7 provides guidance on the corporation business tax. The corporation business tax is a franchise tax imposed on for-profit corporations that have nexus with or are otherwise doing business in this State. The Division of Taxation (Division) has reviewed these rules and has determined that the rules should be readopted because they are necessary, reasonable, and proper for the purpose for which they were originally promulgated. As P.L. 2022, c. 133, P.L. 2023, c. 50, and P.L. 2023, c. 96, were enacted shortly before the expiration date of the chapter, the Division will propose amendments subsequent to this readoption that will address these newly enacted laws. Therefore, pursuant to N.J.S.A. 52:14B-5.1.c(1), N.J.A.C. 18:7 is readopted and shall continue in effect for a seven-year period.

Chapter 7 currently includes the following subchapters:

Subchapter 1, Corporations Subject to Tax Under the Act, discusses the corporations that are subject to the Corporation Business Tax Act, and corporations that are exempt from tax.

Subchapter 2, Nature of Tax, discusses the nature of the corporation business tax as a franchise tax and their reporting year basis.

Subchapter 3, Computation of Tax, discusses the tax bases for the corporation business tax, and how to compute the various components of the tax, including several tax credits.

Subchapter 3A, Urban Enterprise Zones Act, discusses certain corporation business tax credits for corporations in urban enterprise zones. Subchapters 3B and 4 are reserved.

Subchapter 5, Entire Net Income; Definition, Components and Rules for Computing, discusses the computation of entire net income and associated rules for various components of entire net income.

Subchapter 6 is reserved.

Subchapter 7, Allocation, discusses the rules for allocation.

Subchapter 8, Business Allocation Factor, discusses the rules for computing the business allocation factor.

Subchapter 9 is reserved.

Subchapter 10, Section 8 Adjustments, discusses the rules and procedures for Section 8 adjustments.

Subchapter 11, Returns, discusses the rules governing corporation business tax returns and filings.

Subchapter 12, Short Period Return, discusses the rules governing short period returns.

Subchapter 13, Assessment, Payments, Refunds, Lien, discusses the rules governing corporation business tax assessments, payments, refunds, and liens.

Subchapter 14 Penalties, Miscellaneous, discusses the rules governing penalties and other miscellaneous matters.

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Subchapters 15 and 16 are reserved.

Subchapter 17, Partnerships, discusses the rules governing partnerships.

Subchapter 18, Alternative Minimum Assessment, discusses the rules governing the alternative minimum assessment.

Subchapter 19, Filing Fee Payments by Professional Corporations, discusses the professional filing fee paid by professional corporations.

Subchapter 20, Treatment of S Corporations, discusses the treatment and procedures of S corporations and Qualified Subchapter S corporations.

Subchapter 21, Combined Returns, discusses the rules governing combined groups filing combined returns.
