



STATE OF NEW JERSEY  
DEPARTMENT OF THE TREASURY  
DIVISION OF TAXATION  
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## Trucking Company Nexus

Whether a business is subject to corporation business tax based on trucking activity depends on the nature of the business. For instance, trucking or delivery companies are subject to the corporation business tax on income because they are considered to be doing business in the State since they are in the business of delivery and pick-up of cargo.

If a business is not a delivery or trucking company, but a seller of tangible goods that is delivering those goods as part of the sale to its customers, the activities of the company would be protected under P.L. 86-272 and the minimum corporate tax will be remitted with the CBT-100. Activities that go beyond mere delivery include pick-up, set-up, installation, removal, pouring, and inserting.

The general position of the Division is that any activity that creates a non-trivial connection with the State is not deemed de minimis. The number of times that an activity is performed is not the determinant of whether it is de minimis. If activities are not ancillary to the solicitation of orders and are conducted on a regular basis, the company is subject to CBT based on or measured by income.

The Division relies on the language of the New Jersey Court case, *Asher v. Director*, 22 N.J. Tax 582 (2006) which states that as long as activities outside of the scope of the solicitation of orders create a non-trivial connection with the taxing State, they cannot be deemed to be de minimis.

The backhauling activity involves the pickup of goods from New Jersey customers which goes beyond mere delivery. Therefore, the company is subject to corporation business tax and is required to pay tax based on or measured by its income.

Registration forms and Corporate Business Tax returns (CBT-100) can be found on our web site: [www.state.nj.us/treasury/taxation/](http://www.state.nj.us/treasury/taxation/)