



Sign Fabricators and Installers

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Sales of Signs

Beginning October 1, 2022, sign fabricators or installers may issue a fully completed resale certificate when purchasing signs and materials for use in sign fabrication and/or installation. When a fabricator or installer sells a sign to a purchaser, with or without an agreement to install the sign, the fabricator or installer **must collect Sales Tax from the purchaser** on the sales price of the sign unless the purchaser issues a fully completed [exemption certificate](#) or the seller delivers the sign outside of New Jersey. A purchaser is defined as a person to whom a sale of personal property is made or to whom a service is furnished.

Sign Installations

The installation of a sign is subject to Sales Tax, even if the installation results in a capital improvement. A sign fabricator or installer may not accept a Certificate of Exempt Capital Improvement ([Form ST-8](#)) in lieu of Sales Tax because sign installation is a taxable capital improvement.

Repair and Maintenance Services

The Sales and Use Tax Act imposes tax on charges for maintaining, servicing, and repairing real property and tangible personal property. Repair and maintenance services performed by fabricators and installers are subject to Sales Tax.

Fabricator and Installer Purchases

For Resale. Sign fabricators and installers may purchase signs and materials for use in sign fabrication and installation exempt from Sales Tax as a purchase for resale. To document the exemption, the fabricator or installer must issue a fully completed resale certificate to the seller. Acceptable resale certificates include [Form ST-3](#), [Form ST-3NR](#), or [Form ST-SST](#), depending on how the company is registered. The most commonly used certificate for New Jersey-based businesses is [Form ST-3](#).

Tools and Supplies. Tools and supplies used in the fabrication or installation of signs that do not become a final component of the finished sign are subject to Sales Tax, even when purchased by a fabricator or installer. Examples of taxable tools or supplies include, but are not limited to: hammers, paintbrushes, staplers, and wood or metal working equipment.

Tools and supplies sold in New Jersey for use outside the state and delivered by the seller out of state are not subject to New Jersey Sales and Use Tax.

Exemption Certificates

A fully completed New Jersey exemption certificate allows a qualified individual or business to purchase certain goods and/or services without paying Sales Tax. In addition to the resale certificates previously mentioned, here are four other exemption certificates that may be used:

Certificates Contractors Can Use

Contractor's Exempt Purchase Certificate (Form ST-13) — When a sign fabricator or installer purchases materials or services for exclusive use in fulfilling a contract with an exempt organization or a federal or New Jersey government agency, the sign fabricator or installer will issue a Form ST-13 to the seller instead of paying Sales Tax.

Contractor's Exempt Purchase Certificate — Urban Enterprise Zone (Form UZ-4) — When a sign fabricator or installer purchases materials or services for exclusive use in fulfilling a contract with a qualified business within an Urban Enterprise Zone, the sign fabricator or installer will issue a Form UZ-4 to the seller instead of paying Sales Tax.

Certificates Contractors Can Accept

Exempt Organization Certificate (Form ST-5) — When an exempt organization purchases materials or services, it will issue a copy of its Form ST-5 to the seller instead of paying Sales Tax.

Urban Enterprise Zone Exempt Purchase Certificate (Form UZ-5) — When a UEZ-qualified business purchases materials or services, it will issue a copy of its Form UZ-5 to the seller instead of paying Sales Tax. For more information on the Urban Enterprise Zone Program, visit the Division's [website](#).

Registration

A sign fabricator or installer in New Jersey is required to register with the State as a seller and must collect and remit Sales and Use Tax to the State. Businesses can register [online](#) through the Division of Revenue and Enterprise Services' NJ Business Gateway Services website.

For more information about starting a business in New Jersey, see our [Starting a Business Tax Guide](#).

Record Keeping

If the seller did not collect Sales Tax from the purchaser, the seller must keep a copy of the fully completed exemption certificate or proof that delivery occurred outside of New Jersey with the permanent records of the business.

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