



Tax Treatment of Nonprofit Organizations and Government Entities

Bulletin MISC-3

Contents

<i>Introduction</i>	1
<i>Sales and Use Tax Exemption</i>	2
<i>Purchases Made By Exempt Organizations</i>	4
<i>Sales Made By Exempt Organizations</i>	5
<i>Government Entities</i>	6
<i>Construction Contractor Exemptions</i>	8
<i>School Purchases and Sales</i>	9
<i>Foreign Diplomats, Embassies, and Missions</i> ..	10
<i>Other Taxes and Fees</i>	10
<i>Other Information</i>	11

This document is designed to provide guidance to taxpayers and is accurate as of the date issued. Subsequent changes in tax law or its interpretation may affect the accuracy of this publication.

Introduction

The New Jersey tax laws include provisions that exempt qualifying nonprofit organizations and government entities from paying tax. This publication provides a summary of the types of nonprofit entities that may qualify for exemption, depending on the tax or fee; the procedures for qualifying for exempt status; the exemption certificates that must be provided to sellers; and other important related information.

Definitions

Contractor refers to an individual or business entity engaged in the business of improving, altering, or repairing the land, buildings, or other real property of others (N.J.A.C. 18:24-5.2).

Exempt Organization refers to a qualifying nonprofit organization that has applied and been approved for the New Jersey Exempt Organization Certificate (Form ST-5).

Exempt Organization Certificate or Form ST-5 refers to the form issued to a nonprofit organization if the Division of Taxation determines that it is qualified for exemption from sales and use tax according to the criteria provided in N.J.S.A. 54:32B-9.

Government Entity refers to the State of New Jersey and its agencies, instrumentalities, public authorities, public corporations (including those formed with another state), and political subdivisions; and to U.S. Federal government agencies, departments, and instrumentalities (N.J.S.A. 54:32B-9(a)).

Nonprofit Organization, Nongovernmental Organization, or Organization refers to a private nonprofit, nongovernmental organization. For purposes of this publication it does *not* refer to a government entity or a United Nations (or similar) organization.

Section 501(c)(3) Organization or 501(c)(3) Organization refers to a nonprofit organization that has received a determination letter from the Internal Revenue Service (IRS) stating that the organization is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. The term may also refer to a church or ministry that may qualify for an IRS 501(c)(3) determination letter, even though it does not intend to apply for an IRS determination.

Veterans' Organization refers to a war veterans' organization or post, a National Guard organization or post, or the Marine Corps League, and their auxiliary units and societies (N.J.S.A. 54:32B-9(b)).

Sales and Use Tax Exemption

In New Jersey, sales of tangible personal property, specified digital property, and certain services are taxable unless specifically exempted under the Sales and Use Tax Act. However, qualified, registered exempt organizations and New Jersey and Federal government entities are eligible for certain sales tax exemptions. These organizations and government entities, as well as the businesses selling to them, need to be familiar with these exemption requirements.

Nongovernmental Nonprofit Organizations

A qualifying nongovernmental nonprofit organization may apply for exemption from sales tax

by submitting a [Form REG-1E](#) application to the Exempt Organization Unit of the Division of Taxation. If the application is approved, the nonprofit organization will receive the Form ST-5, which the organization may use for exemption from sales and use tax on qualifying purchases. An organization that has a valid Form ST-5 is exempt from collecting sales tax on its sales, subject to exceptions described in *Sales Made By Exempt Organizations* on [page 5](#).

Qualifying Organizations

The Sales and Use Tax Act, N.J.S.A. 54:32B-9(b), provides a sales and use tax exemption for nonprofit organizations of the following types or having the following purposes:

- Exclusively religious, charitable, scientific, testing for public safety, literary or educational purposes;
- For the prevention of cruelty to children or animals;
- A volunteer fire company, rescue, ambulance, first aid, or emergency company or squad;
- Veterans' organizations; or
- An association of parents and teachers of an elementary or secondary public or private school.

Nonqualifying Organizations

Due to the restricted wording of the exemption provision in the statute, the following types of nonprofit organizations (non-501(c)(3) organizations) do *not* qualify for exemption:

- Business associations and leagues, including Chambers of Commerce;
- Social or recreational clubs, including senior citizens' clubs;

- Civic, community, homeowners' or tenants' associations;
- Fraternal organizations (except veterans' organizations) including, but not limited to, Elks Lodges, Hibernian Orders, Kiwanis Clubs, Knights of Columbus Councils, Lions Clubs, Masonic Lodges, Moose Lodges, Odd Fellows Lodges, and Rotary Clubs;
- Labor unions; and/or
- Political organizations.

For the same reasons, an IRS 501(c)(4), 501(c)(5), 501(c)(6), 501(c)(7), etc. organization does *not* qualify for a Form ST-5 (except if it is a volunteer firefighting, rescue or emergency, veterans', or parent-teacher organization).

Although some of the nonqualifying organizations may do some charitable or educational work, they do not qualify for sales tax exemption because they are not *exclusively* charitable or educational organizations, as required by IRC Section 501(c)(3) and N.J.S.A. 54:32B-9(b).

Applying for Form ST-5

To apply for the Form ST-5, a nonprofit organization must file an Application for ST-5 Exempt Organization Certificate ([Form REG-1E](#)) with the Division of Taxation. There is *no fee* to apply. The application is available on the Division's [Web site](#) or can be requested in writing from the New Jersey Division of Taxation, Regulatory Services Branch, PO Box 269, Trenton, NJ 08695-0269, or by fax at 609-989-0113.

The application must include a copy of the articles of organization (e.g., certificate of incorporation or constitution) and any bylaws of the

organization. The nonprofit organization should include an IRS determination letter of exemption under IRC Section 501(c)(3).

Volunteer fire companies, rescue or emergency squads, veterans' organizations, and parent-teacher organizations do not need to provide a copy of an IRS 501(c)(3) determination letter; however, they should include any IRS determination they have.

The Form REG-1E application and required documentation must be mailed to: New Jersey Division of Taxation, Regulatory Services Branch, PO Box 269, Trenton, NJ 08695-0269, or faxed to 609-989-0113.

Churches. Churches or ministries that do not have an IRS 501(c)(3) determination letter should submit their Form REG-1E application, articles of organization, and bylaws. The Division will contact them if further documentation is required.

Affiliated Organizations. Each separate organization must complete a separate Form REG-1E application for Form ST-5. An organization *cannot* use or borrow the Form ST-5 of an affiliated organization.

Out-of-State Organizations. If a nonprofit organization is located outside New Jersey and wants exemption from New Jersey sales tax, the organization must obtain Form ST-5, by completing the Form REG-1E application (see *Applying for Form ST-5* above). Another State's exempt organization certificate cannot be substituted for the New Jersey Form ST-5.

NJ-REG Tax Registration Form

A nonprofit that needs to register to pay employer withholding (payroll) taxes or other State taxes and/or fees must complete [Form NJ-REG](#). If the organization is a qualifying organization (see *Qualifying Organizations* on [page 2](#)) and *only* needs to apply for exemption from sales tax, the organization may complete an REG-1E form without also completing Form NJ-REG.

Purchases Made By Exempt Organizations

If an organization's REG-1E application is approved, the Division of Taxation will issue Form ST-5 to the organization as proof of exemption from sales and use tax. An exempt organization may use Form ST-5 for exemption from sales tax on purchases (except for natural gas and electricity) that are directly related to the organization's purposes and that are paid for with the organization's funds.

If a purchase is made using personal funds (personal check or personal credit card), the purchase does *not* qualify for exemption from sales tax, even if the individual making the purchase will be reimbursed by the organization.

The exemption applies to purchases of goods (e.g., office supplies and equipment), motor vehicles, services, telecommunications services, meals, and admissions, as well as to *sales tax* imposed on hotel or motel occupancies. The Form ST-5 may also be used for exemption from sales tax imposed on rentals and leases of tangible personal property. **However, Form ST-5 does not exempt the organization from: (1) State occupancy fees; or (2) municipal occupancy tax; or (3) sales tax imposed on natural gas or electricity purchases.**

Further information is available in publication [TB-46, Exemptions for Organizations Having ST-5 Exempt Organization Certificate](#). Information on the taxability of electricity or natural gas purchases is available [online](#).

Using Form ST-5

Information for Both Sellers and Exempt Organizations. Organizations should reproduce the original Form ST-5 and use these copies when purchasing merchandise and services for the purposes of the organization. The organization must retain the original Form ST-5.

A valid Form ST-5 has the organization's name, address, exemption number, and effective date preprinted on it by the Division of Taxation. If an exempt organization has a change in name, address, or Federal ID number, an officer of the organization must request a new Form ST-5. Details on requesting an updated Form ST-5 are available [online](#). If a seller is given a Form ST-5 that has been altered, the seller must decline it and ask the organization to provide a copy that has been updated by the Division of Taxation.

Further information on using and updating Form ST-5 is available [online](#).

Subsequent Transactions. Once a seller has a copy of a valid Form ST-5 in its records, the ST-5 serves as proof of exemption for subsequent transactions for the same organization. For subsequent transactions, the seller's sales records must adequately identify the exempt organization buyer and the transaction date.

Requesting a Refund. If an exempt organization erroneously pays sales tax (e.g., a copy of the Form ST-5 was not provided to the seller), the organization may either request a refund from

the seller (tax refunded at the option of the seller) or file a claim for refund from the Division of Taxation using [Form A-3730](#).

Specific Exempt Purchase Situations

Atlantic City and Cape May County. For information, see [page 10](#).

Boy Scout and Girl Scout Groups. Dens, packs, and troops of Boy Scouts or Girl Scouts must obtain a copy of their Council's Form ST-5 from the local Council. When making exempt purchases, the leader must sign a copy of the Form ST-5; provide a copy to the seller; and pay with the funds of the den, pack, or troop. If the troop leader uses a personal check or personal credit card to make the purchase, the purchase does *not* qualify for exemption, even if the leader will be reimbursed by the scout group.

Cemeteries. Cemetery companies are exempt from a broad range of taxes (N.J.S.A. 45:27-1 et seq.). In general, cemetery companies will issue a Form [ST-4](#), Exempt Use Certificate, as proof of exemption from sales tax and are not required to provide a Form ST-5. However, some cemeteries, due to their charitable or religious status, have a Form ST-5.

For more information about cemetery companies, see publication [ANJ-22](#), *Cemeteries, Funerals & New Jersey Taxes*.

Contractors Working on an Exempt Organization's Real Property. For information on the exemptions for materials purchased by contractors see *Construction Contractor Exemptions* on [page 8](#).

Out-of-State Purchases. Members of a New Jersey exempt organization traveling outside the State will need to seek advice from the other

jurisdiction for information on exemption status and procedures. For merchandise shipped or brought into New Jersey, an exempt organization is exempt from New Jersey use tax, as long as the organization purchased it for the organization's exempt purposes.

Sales Made By Exempt Organizations

An exempt organization must collect sales tax if it operates a retail business (except a qualifying "thrift" store) or if it maintains a business operation selling taxable services or merchandise more than occasionally. However, an exempt organization is not required to collect sales tax if it makes only occasional fundraising sales that are relatively short in duration, and all of the proceeds go to the exempt organization.

Occasional Fundraising Sales

In general, a nonprofit organization having a valid Form ST-5 is exempt from collecting sales tax for occasional fundraising sales. Examples of occasional fundraising sales are:

- Annual book and/or greeting card sales lasting a few weeks.
- Gift merchandise sales, such as plants or crafts, which occur several times a year and last one or two days.

For additional information on the tax treatment of sales made by exempt organizations, see publication [TB-46](#), *Exemptions for Organizations Having ST-5 Exempt Organization Certificate*.

Retail Businesses

An exempt organization that continuously operates a store, or the equivalent of a store such as a mail-order or Internet business, is required

to collect sales tax, except for qualifying thrift stores. Exempt organizations must collect sales tax when operating an eating or drinking establishment or other regular business making taxable sales.

Qualifying Thrift Stores. An exempt organization thrift store qualifies for exemption from collecting sales tax on *donated* items if:

- At least 75% of the store merchandise consists of donated items, **and**
- At least 75% of the work to operate the store is performed by volunteers.

Example. An exempt organization operates a thrift store in which all the merchandise is donated and 50% of the work is done by paid employees. The store must collect sales tax on all of its sales. The store fails to meet the exemption criterion that at least 75% of the work is performed by volunteers.

The thrift store exception applies to sales of donated merchandise only. If the store also regularly sells taxable merchandise that was *not* donated, the store must collect sales tax on the nondonated merchandise. For more information, see publication [TB-46](#), *Exemptions for Organizations Having ST-5 Exempt Organization Certificate*.

Admission Charges

Charges for admission to events that are conducted by an exempt organization are not taxable when all of the proceeds from the admissions are for the exclusive benefit of a qualified New Jersey exempt organization and do not benefit any individual stockholder or other member of that organization. For more information on exempt organizations and admission charges, see Tax Topic Bulletin [S&U-11](#), *Admissions Charges*.

Carnivals, Rodeos, Circuses. The sales tax exemption does *not* apply in the case of admissions to carnivals, rodeos, or circuses in which any professional performer or operator participates for compensation. For more information on the sales tax treatment for these charges see publication [TB-50](#), *Amusement Ride Operator's Responsibility to Remit Sales Tax For Admission Charges to Carnivals Conducted In Conjunction With Exempt Organizations*.

Membership Fees. Exempt organizations are exempt from collecting sales tax on initiation fees, membership fees, or dues to their facilities (e.g., YMCAs and YWCAs). The status of the seller simply as a “nonprofit” organization is not sufficient to qualify for exemption. For additional information concerning membership fees or dues, see the [Tax Note](#) on this topic.

Magazine Subscriptions

A membership periodical distributed by an exempt organization to its members, as a benefit of membership in the organization, is exempt from sales and use tax (N.J.S.A. 54:32B-8.5). For more information, see publication [ANJ-21](#), *Newspapers, Magazines, Periodicals and New Jersey Sales Tax* or Tax Topic Bulletin [S&U-4](#), *New Jersey Sales Tax Guide*.

Government Entities

New Jersey State agencies, instrumentalities, political subdivisions and authorities, and Federal agencies and instrumentalities are generally exempt from paying sales and use tax and from collecting sales tax (N.J.S.A. 54:32B-9(a)). The New Jersey Sales and Use Tax Act does *not* provide exemption to other states or the District of Columbia.

Exempt Purchases

Proof of Exemption

Sellers need proof of exemption to substantiate that an exempt government entity (New Jersey or Federal) made direct payment to the seller. The acceptable proofs of exemption include: a copy of a government voucher, a government purchase order form, a purchase order made on government letterhead stationery, a copy of a government check, or a copy of a government credit card indicating direct government payment.

Exempt government entities are *not* required to provide sellers an exemption number or an exemption certificate (see *Cash Purchases of \$150 or Less* below). Similarly, a letter from the Division of Taxation confirming exemption is *not* required. The Division of Taxation does not provide an exemption number to government entities.

Although an exemption letter is not required, a New Jersey or Federal government entity may request a letter confirming its exemption by writing to the New Jersey Division of Taxation, Regulatory Services Branch, PO Box 269, Trenton, NJ 08695-0269; by fax to 609-989-0113; or by e-mail to tax.exemptorganizations@treas.state.nj.us. Federally chartered credit unions may also request an exemption letter, since they are treated as exempt Federal instrumentalities. (State-chartered credit unions do *not* qualify for exemption and should not request an exemption letter.)

Natural Gas and Electricity. State and local government entities and exempt organizations (e.g., schools, churches, nursing homes, etc.) generally are not exempt from sales tax on purchases of natural gas and electricity. More information is available [online](#).

Cash Purchases of \$150 or Less

When a New Jersey or Federal government entity makes a cash purchase of \$150 or less, the entity must complete and provide an Exempt Use Certificate, Form [ST-4](#), as proof of exemption (no exempt number required). Form ST-4 is not required when there is other proof of direct government payment, such as a purchase order. The ST-4 is *not* valid when the cash purchase exceeds \$150 or when a government employee uses cash to purchase a hotel or motel occupancy.

Hotel/Motel Occupancies

Occupancies of a room in a hotel, motel, or similar facility may qualify for exemption, as long as the hotel or motel has proof of direct payment by a New Jersey or Federal government entity. This government exemption extends to the State Occupancy Fee, Municipal Occupancy Tax, Atlantic City Luxury Tax, and/or Cape May County Tourism Sales Tax and Tourism Assessment. For occupancies, Form ST-4 may *not* serve as a substitute for the required direct government payment. See *Federal Government Employees Traveling in New Jersey* below.

Federal Government Employees Traveling in New Jersey

For detailed information on the sales tax treatment of purchases made by Federal government employees traveling in New Jersey see [Sales Tax Guidelines for Hotels and Motels](#).

Government Contractors

Businesses do *not* qualify for sales tax exemption simply by reason of having a contract with an exempt government entity. Businesses that have a government contract are generally subject to sales and use tax. For example, when a business purchases a laptop computer to use in New

Jersey to perform a government contract and the business claims that it will be transferred to the government at the end of the contract, the laptop computer does not qualify for exemption from sales and use tax.

However, certain purchases made by construction contractors may be exempt. See *Construction Contractor Exemptions* below.

Sales Made By Government Entities

In general, a government entity is required to collect sales tax on sales made from a shop or store except when it is “a seller of services or property of a kind not ordinarily sold by private persons.” (N.J.S.A. 54:32B-9(a)(1)). A government entity that needs a determination as to the taxability of a particular type of sale may request one by writing to the New Jersey Division of Taxation, Regulatory Services Branch, PO Box 269, Trenton, NJ 08695-0269; by fax to 609-989-0113; or by e-mail to tax.exemptorganizations@treas.state.nj.us

Parking, Storing, Garaging Motor Vehicles. For the sales tax treatment of parking provided by a government entity see publication [ANJ-23, Parking, Storing, Garaging Motor Vehicles & New Jersey Sales Tax](#).

Membership Fees. For information on the tax treatment of charges for access to publicly owned recreational facilities (e.g., public golf courses or public swimming pools) see the [Tax Note](#) on this topic.

Concession Stands at Veterans’ Homes. Pursuant to N.J.S.A. 54:32B-8.54, concession stands located at a State residential veterans’ facility, operated pursuant to N.J.S.A. 38A:3-6, are exempt from collecting sales tax on their sales.

This exemption applies to a State veterans’ home concession stand, whether it is operated by the State or a private business.

Construction Contractor Exemptions

As provided by N.J.S.A. 54:32B-8.22, a contractor improving, altering, or repairing the real property of an exempt organization or exempt government entity is exempt from sales and use tax on qualifying purchases.

Qualifying purchases are purchases of construction materials, construction supplies, and a few qualifying services, if used exclusively and entirely consumed in erecting structures or building on, or otherwise improving, altering, or repairing real property belonging to an exempt entity. The exemption does *not* extend to equipment (e.g., bulldozers, jackhammers, or computers) purchased, leased, or rented to perform the work on the real property.

Exemption Certificates. A contractor must retain a copy of the exempt organization’s Form ST-5 or a copy of the government contract. To make qualified exempt purchases the contractor must provide a Contractor’s Exempt Purchase Certificate, [Form ST-13](#), to its suppliers. If a contractor buys materials from a seller that does not collect sales tax (i.e., a seller outside of New Jersey), then the contractor should retain a completed Form ST-13 in his records to demonstrate that the purchases qualified for the exemption. For more information, see Tax Topic Bulletin, [S&U-3, Contractors and New Jersey Taxes](#); publication [IB-67, Contractor Exemption for Improving, Altering, or Repairing the Real Property of Qualified Exempt Entities](#).

If a contractor intends to pick up materials in another state, the contractor should check with that state to determine if any exemptions are available.

School Purchases and Sales

Private Schools

An exempt private school must give its suppliers a copy of its Form ST-5. In general, an exempt private school should not use, and a seller should not accept, Form ST-4. (For details on Form ST-4 see the instructions for the form or Tax Topic Bulletin [S&U-6](#), *Sales Tax Exemption Administration*.)

New Jersey Public Schools

For sales to a New Jersey public school, sellers only need a copy of a school purchase order or other proof of direct payment by the public school. For purchases of \$150 or less made with cash from a school fund (e.g., prom fund) a public school must provide sellers with Form ST-4 signed by a school official.

NOTE: New Jersey public schools generally are not issued a Form ST-5. See *Exempt Purchases* on [page 7](#).

Purchases Made By School Employees

When an employee of a school makes a purchase using a personal check or personal credit card, there is no exemption from sales tax, even if the employee provides Form ST-4 or ST-5 to the seller. If the person making the purchase pays with personal funds, the exemption from sales tax does not apply even if the purchaser will receive reimbursement from the school.

School Stores

A school store that merely puts low-price merchandise out on a folding table or two, one or two days a month during the school year, is *not* treated as a store that is required to collect sales tax.

School Fundraisers

Sales tax is not required to be collected for occasional school fundraiser sales, provided the buyer makes payment directly to an exempt school or an exempt organization, including an exempt parent-teacher organization. When payment is made directly to a business, such as a for-profit merchandiser, the sale does *not* qualify for exemption, unless otherwise exempt (e.g., sale of clothing).

School Cafeterias

The Sales and Use Tax Act specifically exempts sales of prepared food and drink to students enrolled at elementary, secondary, and post-secondary schools (N.J.S.A. 54:32B-8.3). However, cafeterias and other eating establishments at colleges and universities must charge sales tax to teachers and others that do not have a student identification card (N.J.A.C. 18:24-12.5).

Food Stands at School Functions

Sales tax is not required to be collected on sales at a school food or concession stand operated only during school athletic games or special events if the stand is operated by, and all profits go to, the exempt school, parent-teacher organization, or athletic booster club. For more information see publication [TB-49](#), *Purchases and Sales by Schools and Affiliated Organizations*.

Foreign Diplomats, Embassies, and Missions

New Jersey sellers occasionally make sales to foreign diplomats or to embassies and missions of foreign countries. Entitlement to sales tax exemption, for either diplomatic personnel or the missions, is administered by the U.S. Department of State, which *issues tax exemption cards*. Information about the [Diplomatic Tax Exemption Program](#) is available on the U.S. Department of State's Web site. Also, the Division of Taxation provides information in publication [TB-53, Diplomat/Consular Sales Tax Exemptions](#).

Questions regarding the Diplomatic Tax Exemption Program should be directed to the U.S. Department of State at 202-895-3500 or 646-282-2825.

Other Taxes and Fees

Atlantic City Luxury and Cape May County Tourism Taxes

Exempt organizations are *not* exempt from the Atlantic City Luxury Tax or the Cape May County Tourism Sales Tax and Tourism Assessment. The statutes imposing those taxes provide exemption only for New Jersey and Federal government entities.

An exempt organization, however, may use its Form ST-5 to be exempt from the *sales tax* portion of the bill. For more information see publications [ANJ-17, Atlantic City: Luxury Tax, New Jersey Sales Tax and Other Fees](#), and [TB-23, Cape May County Tourism Tax](#).

Corporation Business Tax

If a nonprofit organization is incorporated and operating as a nonprofit corporation, the nonprofit corporation is exempt from the New Jersey Corporation Business Tax (N.J.S.A. 54:10A-3). A nonprofit corporation may request a letter from the Division of Taxation confirming that it is exempt from corporation business tax. Instructions for obtaining an exemption letter are available on the Division of Taxation's [Web site](#).

Local Property Tax

For information on exemption from Local Property Tax for qualifying nonprofit use of real property, contact the [Tax Assessor](#) in the corresponding municipality.

Motor Fuel Tax

Sales of motor fuel made to the State of New Jersey and the Federal government are exempt from New Jersey Motor Fuel Tax under N.J.S.A. 54:39-112(b)(3).

In general, sales of motor fuel made to nonprofit organizations are not exempt from motor fuel tax. However, if the nonprofit organization purchases the fuel for one of the exempt purposes enumerated in N.J.S.A. 54:39-112(a), they may claim a refund based on the exempt use by filing [Form MFA-20](#). Among the exempt purposes that would be of interest to nonprofit organizations are fuel used for ambulances or for emergency vehicles used exclusively by volunteer first-aid or rescue squads.

Partnership Fees or Taxes

If a nonprofit organization is a partner in a partnership, and the partnership is required to remit partnership filing fees for Form NJ-1065 purposes, there is no filing fee exception for the nonprofit members. See publication [TB-55](#), *Partnership Filing Fee and Nonresident Partner Tax*. On the other hand, a partnership generally is *not* required to remit nonresident partner tax on behalf of its nonresident partners for any partner that is a nonprofit organization (N.J.S.A. 54:10A-15.11(c)).

Petroleum Products Gross Receipts Tax

Gross receipts from sales of petroleum products to an exempt organization may be eligible for exemption from the Petroleum Products Gross Receipts Tax (PPGRT) if the exempt organization has invoices meeting certain standards and has a contract to purchase the products for a period of one year or longer. New Jersey and Federal government entities also are eligible for exemption, under less stringent requirements. For details, see Form [PPT-5](#).

The tax and the exemption are administered by the Division of Taxation's Excise Tax Branch, which may be reached at 609-633-9057.

Other Information

Annual Report

To maintain its status as a corporate entity, a New Jersey nonprofit corporation *must* file a corporate [Annual Report](#) online and pay the annual fee on the Division of Revenue and Enterprise Services' Web site. For further information, including possible exceptions for Title 16 religious corporations, call 609-292-9292.

Information on obtaining a copy of the nonprofit certificate of incorporation is available [online](#) or by calling the Division of Revenue and Enterprise Services at 609-292-9292.

NOTE: The Division of Taxation cannot provide a copy of a certificate of incorporation; it must be obtained from the Division of Revenue and Enterprise Services.

Business Registration Certificate

Nonprofit organizations intending to sell goods or services to a State or local government entity may obtain information about the Business Registration Certificate (BRC) through the Division of Revenue and Enterprise Services' [Web site](#) or by calling the Division of Revenue and Enterprise Services at 609-292-9292.

Federal Form 990

Nonprofit organizations are *not* required to file a copy of Federal Form 990 or a comparable annual income reporting form with the Division of Taxation. However, they may be required to make an annual filing with New Jersey's [Charities Registration and Investigation Section](#). That Web site also has a link for information on holding games of chance fundraisers, such as raffles and 50/50s. For Federal requirements (e.g., Form 990), visit the [IRS](#) Web site or contact the IRS at 1-877-829-5500.

Unrelated Business Income Tax

The State of New Jersey does not impose an unrelated business income tax on nonprofit organizations.

For More Information

By Phone

- Call the Division of Taxation's Customer Service Center at **609-292-6400**.
- Text Telephone Service (TTY/TDD) for Hard-of-Hearing Users: **1-800-286-6613** (toll-free within NJ, NY, PA, DE, and MD) or **609-984-7300**. These numbers are accessible *only* from TTY devices. Submit a text message on any tax matter and receive a reply through NJ Relay Services (711).

Online

- Division of Taxation Web site: www.state.nj.us/treasury/taxation/
- E-mail: nj.taxation@treas.state.nj.us
- Subscribe to *NJ Tax E-News*, the Division of Taxation's online information service, at: www.state.nj.us/treasury/taxation/listservservice.shtml

In Writing

New Jersey Division of Taxation
Technical Information Branch
PO Box 281
Trenton, NJ 08695-0281

Forms and Publications

- Visit the Division of Taxation's Web site:
 - Forms — www.state.nj.us/treasury/taxation/forms.shtml
 - Publications — www.state.nj.us/treasury/taxation/pubs.shtml
- Call NJ TaxFax at **609-826-4500** from your fax machine's phone.
- Call the Forms Request System at **1-800-323-4400** (within NJ, NY, PA, DE and MD) or **609-826-4400** (Touch-tone phones only) to have printed forms or publications mailed to you.
Note: Due to budgetary constraints, supplies are limited and only certain forms and publications can be ordered through this System.