PPT-6-A (11-90)

STATE OF NEW JERSEY
DIVISION OF TAXATION

PETROLEUM PRODUCTS GROSS RECEIPTS TAX
P.O. BOX 243
Trenton, NJ 08646-0243

DIRECT PAYMENT CERTIFICATE

BUYER INFORMATION DP - _____	Name of Buyer	Employer Identification Number
	Address (Number and street or rural route)	
	City / Sate	Zip Code

This certificate covers transactions beginning _____,

CERTIFICATION OF BUYER

The undersigned certifies that:

1. The issuer of this certificate is registered with the New Jersey Division of Taxation, holds a valid Direct Payment Permit, and is authorized to file reports and remit the applicable Petroleum Products Gross Receipts Tax directly to the New Jersey Division of Taxation.

2. The issuer of this certificate is principally engaged in the following (indicate nature of business)

3. The petroleum products being purchased are described as follows: _____

4. I agree to make my books and records available to the New Jersey Division of Taxation for audit so that it may verify that the sales, use, and/or consumption of the petroleum products purchased are properly reported.

5. I, the undersigned purchaser, have read and complied with the instructions and rules promulgated pursuant to the New Jersey Petroleum Products Gross Receipts Tax Act with respect to the use of the Direct Payment Certificate, and it is my belief that the seller named herein is not required to pay or remit the Petroleum Products Gross Receipts Tax on receipts from the transaction or transactions covered by this Certificate. The undersigned purchaser hereby swears (under penalties for perjury and false swearing) that all of the information shown on this Certificate is true.

Signature of buyer / Title / Date

A COPY OF THE BUYER'S DIRECT PAYMENT PERMIT MUST BE ATTACHED

SELLER INFORMATION	Name of Seller
	Address (Number and street or rural route)
	City / Sate / Zip Code

FORM MAY BE REPRODUCED

INSTRUCTIONS FOR USE OF DIRECT PAYMENT CERTIFICATE

GENERAL INFORMATION

A Direct Payment Permit, Form PPT-6, is evidence that the buyer designated thereon is authorized to issue a Direct Payment Certificate, Form PPT-6A, in certain cases, in lieu of payment of the Petroleum Products Gross Receipts Tax at the time of purchase, and subsequently to file reports and remit the tax directly to the Director.

When the purchaser who has issued the Direct Payment Certificate in turn makes a sale of petroleum products delivered to a location in New Jersey and sells to a buyer which is not a distributor or the holder of a Direct Payment Permit, the consideration from such sale results in gross receipts subject to tax unless the sale otherwise qualifies for exemption, exclusion, or deduction. Such seller must report and remit the tax to the Director.

1. **Good Faith** - In general, a seller who accepts an exemption certificate in "good faith" is relieved of liability for payment of tax upon transactions covered by the certificate. The question of "good faith" is one of fact and depends upon a consideration of all the conditions surrounding the transaction. A vendor is presumed to be familiar with the law and the regulations pertinent to the business in which he deals.

   In order for "good faith" to be established, the following conditions must be met:

   (a) The certificate must contain no statement or entry which the seller knows, or has reason to know, is false or misleading.

   (b) The certificate must be an officially promulgated certificate form or a substantial and proper reproduction thereof.

   (c) The certificate must be dated and executed in accordance with the published instructions, and must be complete and regular in every respect.

   The seller may, therefore, accept this "good faith" Direct Payment Certificate as a basis for exempting sales to the signatory purchaser provided that:

   (d) The purchaser's Employer Identification Number, indicating that the purchaser is registered with the New Jersey Division of Taxation, is entered on the face of the Certificate as reflected on the Petroleum Products Gross Receipts Tax Certificate of Authority.

   (e) The purchaser has entered all other information required on the form.

   (f) A copy of the purchaser's Direct Payment Permit is attached to the form.

   (g) The seller has no reason to believe that the petroleum product to be purchased is of a type not ordinarily used in the purchaser's business for the purpose described in this certificate.

2. **Improper Certificate** - Transactions which are not supported by properly executed direct payment certificates shall be deemed to result in taxable gross receipts to the seller. The burden of proof that the consideration received may be deducted from gross receipts and that the tax was not required to be paid is upon the seller.

3. **Correction of Certificate** - In general, sellers have 60 days after date of sale to obtain a corrected certificate where the original certificate lacked material information to be set forth in said certificate or where such information is incorrectly stated.

4. **Documentation of Sale** - Records shall be maintained identifying all sales to the customer issuing the certificate and attributable to the certificate. Such records shall include date of sale, price, location of the transfer of the product, quantity of product, and type of product sold.

5. **Additional Purchases by Same Purchaser** - This Certificate will serve to cover additional purchases by the same purchaser of the same product. However, each subsequent sales slip or purchase invoice based on this Certificate must show the purchaser's name, address, and Direct Payment Permit number for the purposes of verification.

6. **Retention of Certificates** - Certificates must be retained by the seller for a period of not less than five years from the date of the last sale covered by the certificate. Certificates must be in the physical possession of the seller and available for inspection on or before the 60th day following the date of the transaction to which the certificate relates.

7. **Restrictions** - A Direct Payment Certificate may be issued, (and subsequently accepted by a seller), only by the holder of a valid Direct Payment Permit.