

ST-4 (11-24)

State of New Jersey  
DIVISION OF TAXATION

SALES TAX

FORM ST-4

ELIGIBLE NONREGISTERED  
PURCHASER: SEE INSTRUCTIONS \*\*

PURCHASER'S NEW JERSEY  
TAXPAYER REGISTRATION NUMBER\*

EXEMPT USE CERTIFICATE

To be completed by purchaser and given to and retained by seller.  
Please read and comply with the instructions given on both sides of this certificate.

TO \_\_\_\_\_ Date \_\_\_\_\_  
(Name of Seller)

\_\_\_\_\_ Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

The undersigned certifies that there is no requirement to pay the New Jersey Sales and/or Use Tax on the purchase or purchases covered by this Certificate because the tangible personal property or services purchased will be used for an exempt purpose under the Sales & Use Tax Act.

The tangible personal property or services will be used for the following exempt purpose\*:

The exemption on the sale of the tangible personal property or services to be used for the above described exempt purpose is provided in subsection N.J.S.A. 54:32B- [ ] (See reverse side for listing for principal exempt uses of tangible personal property or services and fill in the block with proper subsection citation).

I, the undersigned purchaser, have read and complied with the instructions and rules promulgated pursuant to the New Jersey Sales and Use Tax Act with respect to the use of the Exempt Use Certificate, and it is my belief that the seller named herein is not required to collect the sales or use tax on the transaction or transactions covered by this Certificate. The undersigned purchaser hereby swears under the penalties for perjury and false swearing that all of the information shown in this Certificate is true.

\_\_\_\_\_  
NAME OF PURCHASER\* (as registered with the New Jersey Division of Taxation)

\_\_\_\_\_  
(Address of Purchaser)\*

\_\_\_\_\_  
TYPE OF BUSINESS\*

By

\_\_\_\_\_  
(Signature of owner, partner, officer of corporation, etc.)\*

\_\_\_\_\_  
(Title)

\*Required

MAY BE REPRODUCED  
(Front & Back Required)

1. Registered sellers who accept fully completed exemption certificates within 90 days subsequent to the date of sale are relieved of liability for the collection and payment of sales tax on the transactions covered by the exemption certificate. The following information must be obtained from a purchaser in order for the exemption certificate to be fully completed:
  - Purchaser's name and address;
  - Type of business;
  - Reasons(s) for exemption;
  - Purchaser's New Jersey tax identification number or, for a purchaser that is not registered in New Jersey, the Federal employer identification number or out-of-State registration number. Individual purchasers must include their driver's license number;
  - If a paper exemption certificate is used (including fax), the signature of the purchaser.

The seller's name and address are not required and are not considered when determining if an exemption certificate is fully completed. A seller that enters data elements from paper into an electronic format is not required to retain the paper exemption certificate.

The seller may, therefore, accept this certificate as a basis for exempting sales to the signatory purchaser and is relieved of liability even if it is determined that the purchaser improperly claimed the exemption. If it is determined that the purchaser improperly claimed an exemption, the purchaser will be held liable for the nonpayment of the tax.

2. **Retention of Certificates** - Certificates must be retained by the seller for a period of not less than four 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.
3. **Acceptance of an exemption certificate in an audit situation** – On and after October 1, 2011, if the seller either has not obtained an exemption certificate or the seller has obtained an incomplete exemption certificate, the seller has at least 120 days after the Division's request for substantiation of the claimed exemption to either:

1. Obtain a fully completed exemption certificate from the purchaser, taken in good faith, which, in an audit situation, means that the seller obtain a certificate claiming an exemption that:
  - (a) was statutorily available on the date of the transaction, and
  - (b) could be applicable to the item being purchased, and
  - (c) is reasonable for the purchaser's type of business; OR
2. Obtain other information establishing that the transaction was not subject to the tax.

If the seller obtains this information, the seller is relieved of any liability for the tax on the transaction unless it is discovered through the audit process that the seller had knowledge or had reason to know at the time such information was provided that the information relating to the exemption claimed was materially false or the seller otherwise knowingly participated in activity intended to purposefully evade the tax that is properly due on the transaction. The burden is on the Division to establish that the seller had knowledge or had reason to know at the time the information was provided that the information was materially false.

4. **Common exempt uses** of property or services for which the ST-4 is applicable follow.

**NOTE:** The descriptions are general and do not necessarily cover every exempt use or service or every condition for exemption. Further information is available from the Division of Taxation.

- Sales of machinery and equipment for use directly and primarily in the production of property by manufacturing, processing, assembling or refining. N.J.S.A. 54:32B-8.13a.
- Sales of equipment to a telecommunication service provider subject to the jurisdiction of the BPU or the FCC for use directly and primarily in providing interactive telecommunications services for sale. N.J.S.A. 54:32B-8.13c.
- Sales of tangible personal property for use directly and exclusively in experimental research and development in the laboratory sense. N.J.S.A. 54:32B-8.14.
- Sales of wrapping materials or non-returnable containers for use in the delivery of tangible personal property or sales of containers for use in a farming enterprise. N.J.S.A. 54:32B-8.15.
- Sales of busses to regulated bus companies for public passenger transportation or to carriers for use in school children transportation services. N.J.S.A. 54:32B-8.28.
- Sales of equipment for use directly and primarily in the production department of a newspaper plant or for use in the production of property for sale by a commercial printer. N.J.S.A. 54:32B-8.29.
- Sales of advertising material to be published in a newspaper. N.J.S.A. 54:32B-8.30.
- Sales of aircraft or repair services to an "air carrier," and repairs to certain business aircraft, including machinery or equipment installed on such. N.J.S.A. 54:32B-8.35.
- Sales of equipment used exclusively to sort and prepare solid waste for recycling or in recycling (does not include motor vehicles). N.J.S.A. 54:32B-8.36.
- Sales of printed advertising materials for out-of-state distribution and sales of direct-mail processing services rendered in connection with the distribution of such materials to out-of-state recipients. N.J.S.A. 54:32B-8.39.
- Sales of commercial trucks, truck tractors and semi-trailers which are properly registered and 1) have a gross vehicle weight rating in excess of 26,000 pounds; or 2) are operated actively and exclusively for the carriage of interstate freight under a certificate or permit issued by the Interstate Commerce Commission; or 3) are registered as a farm vehicle under the Motor Vehicle Statute (N.J.S.A. 39:3-24 and 25) and have a gross vehicle weight rating in excess of 18,000 pounds. N.J.S.A. 54:32B-8.43.

- Sales of machinery and equipment used directly and primarily in producing broadcast programming or cable/satellite television programming. N.J.S.A. 54:32B-8.13e.
  - Sales of tangible property for use directly and primarily in the production of film or video for sale, including motor vehicles, parts, supplies and services to such property.. N.J.S.A. 54:32B-8.49.
  - Sales of commercial ships and charges for components, repair and alteration services for commercial ships. N.J.S.A. 54:32B-8.12.
  - Sales of materials, such as chemicals and catalysts, used to induce or cause a refining or chemical process. N.J.S.A. 54:32B-8.20.
  - Sales of electronically delivered computer software that is used directly and exclusively in the conduct of the purchaser's business, trade, or occupation. N.J.S.A. 54:32B-8.56.
  - Sale, rental, or lease of a qualified zero emission vehicle. N.J.S.A. 54:32B-8.55.
- \*\*5. Eligible Nonregistered Purchaser** - If the purchaser is not required to be registered for sales and use tax purposes in New Jersey, in the box at the top, left corner of the form marked "Eligible Nonregistered Purchaser" the purchaser is required to place one of the following in order of preference:  
1) the Federal Identification Number of the business; 2) out of state registration number.

Private reproduction of both sides of the Exempt Use Certificates may be made without the prior permission of the Division of Taxation.

**FOR MORE INFORMATION:** Read publication S&U-6 (Sales Tax Exemption Administration) at <http://www.state.nj.us/treasury/taxation/pdf/pubs/sales/su6.pdf>

**DO NOT MAIL THIS FORM TO THE DIVISION OF TAXATION**  
This form is to be completed by purchaser and given to and retained by seller.

State of New Jersey  
DIVISION OF TAXATION

Purchaser's New Jersey Tax Registration Number*

Eligible Nonregistered Purchaser (See Instructions)

SALES TAX  
FORM ST-7

FARMER'S EXEMPTION CERTIFICATE

To be completed by purchaser and given to and retained by seller  
The seller must collect the tax on a sale of taxable property or services unless  
the purchaser gives them a fully completed New Jersey exemption certificate.

TO \_\_\_\_\_ Date \_\_\_\_\_  
(Name of Seller)

\_\_\_\_\_  
(Address)

Check applicable box:  
 Single Purchase Certificate  
 Blanket Certificate

\_\_\_\_\_  
(City) (State) (ZIP)

The purchaser certifies that it is exempt from payment of the Sales and Use Tax on purchases to be made from the seller because the property or service is to be used for an exempt purpose described in N.J.S.A. 54:32B-8.16 of the Sales and Use Tax Act as follows:

"Sales of tangible personal property and production and conservation services to a farmer for use and consumption directly and primarily in the production, handling, and preservation for sale of agricultural or horticultural commodities at the farming enterprise of that farmer."

Description of agricultural or horticultural commodities produced at the purchaser's farmer enterprise:

\_\_\_\_\_  
\_\_\_\_\_

Description of tangible personal property or service purchased: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Name of individual, partnership, association, or corporation)\*

\_\_\_\_\_  
(Business address)\*

By \_\_\_\_\_  
(Signature of individual farm owner, partner, officer of corporation or other qualified representative)\*

INSTRUCTIONS

This certificate must be presented to a seller when making an exempt purchase. The farmer's exemption does not apply to purchases which will not be used directly and primarily in farm production. The purchases of automobiles, certain other motor vehicles, natural gas, electricity and any materials used to build a building or structure (except silos, greenhouses, grain bins and manure handling facilities) are taxable regardless of the intended use on a farm or by a farmer.

## INSTRUCTIONS FOR USE OF FARMER'S EXEMPTION CERTIFICATE (ST-7)

- 1. Scope of Farmer's Exemption** – This certificate may be used only by businesses that are treated as “farming enterprises” under N.J.S.A. 54:32B-8.16 of the Sales and Use Tax Act. A “farming enterprise” means an enterprise using land to raise agriculture or horticulture commodities for sale. Farming enterprises include, but are not limited to, enterprises producing dairy products, poultry, feed crops, fruit, vegetables, livestock, fur animals, timber, ornamental plants, bees and apiary products.  
**Note:** For sales and use tax purposes, a “farming enterprise” does **not** include an enterprise that is primarily engaged in boarding or training horses or in selling agricultural or horticultural products produced by others.  
The farmer's exemption applies only to sales of tangible personal property or services which will be used directly and primarily in agricultural or horticultural production. It does not apply to sales of: motor vehicles, natural gas, electricity, or property to be used to construct a building or structure (with the exception of silos, greenhouses, grain bins, or manure handling facilities).  
**Note:** When purchasing a truck or truck tractor with a gross vehicle weight rating of more than 18,000 pounds which is registered with the New Jersey Division of Motor Vehicles as a farm vehicle or a commercial over-the-road truck with a gross vehicle weight rating over 26,000 pounds which is registered in New Jersey, the purchaser must use and Exempt Use Certificate (ST-4) rather than a Farmer's Exemption Certificate. See N.J.S.A. 54:32B-8.43.
- 2. Registered sellers who accept fully completed exemption certificates within 90 days subsequent to the date of sale are relieved of liability for the collection and payment of sales tax on the transactions covered by the exemption certificate. The following information must be obtained from a purchaser in order for the exemption certificate to be fully completed:**
  - Purchaser's name and address;
  - Type of business;
  - Reason(s) for exemption;
  - Purchaser's New Jersey tax identification number or, for a purchaser that is not registered in New Jersey, the Federal employer identification number or out-of-State registration number. Individual purchasers must include their driver's license number;
  - If a paper exemption certificate is used (including fax), the signature of the purchaser.The seller's name and address are not required and are not considered when determining if an exemption certificate is fully completed. A seller that enters data elements from paper into an electronic format is not required to retain the paper exemption certificate.  
The seller may, therefore, accept this certificate as a basis for exempting sales to the signatory purchaser and is relieved of liability even if it is determined that the purchaser improperly claimed the exemption. If it is determined that the purchaser improperly claimed an exemption, the purchaser will be held liable for the nonpayment of the tax.
- 3. Retention of Certificates** – Certificates must be retained by the seller for a period of not less than four 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.
- 4. Acceptance of an exemption certificate in an audit situation** – On and after October 1, 2011, if the seller either has not obtained an exemption certificate or the seller has obtained an incomplete exemption certificate, the seller has at least 120 days after the Division's request for substantiation of the claimed exemption to either:
  1. Obtain a fully completed exemption certificate from the purchaser, taken in good faith, which, in an audit situation, means that the seller obtain a certificate claiming an exemption that:
    - (a) was statutorily available on the date of the transaction, and
    - (b) could be applicable to the item being purchased, and
    - (c) is reasonable for the purchaser's type of business; OR
  2. Obtain other information establishing that the transaction was not subject to the tax.If the seller obtains this information, the seller is relieved of any liability for the tax on the transaction unless it is discovered through the audit process that the seller had knowledge or had reason to know at the time such information was provided that the information relating to the exemption claimed was materially false or the seller otherwise knowingly participated in activity intended to purposefully evade the tax that is properly due on the transaction. The burden is on the Division to establish that the seller had knowledge or had reason to know at the time the information was provided that the information was materially false.
- 5. Blanket Certificates** – A seller may permit a purchaser to file a blanket Farmer's Exemption Certificate to cover future purchases of similar items of tangible personal property. However, each subsequent sales slip or purchase invoice based on such blanket certificate must be clearly marked with the purchaser's name, address, and identification number.
- 6. Eligible Nonregistered Purchaser** – If the purchaser is not required to be registered with the New Jersey Division of Taxation and does not have a New Jersey Tax Registration Number, the purchaser is required to place either their Federal Identification Number or, if a sole proprietor, the last three digits of their Social Security Number in the box at the top, right corner of the form marked “Eligible Nonregistered Purchaser.” Note: Any New Jersey farmer who is not a sole proprietor, or who sells any goods or services subject to sales tax, or who is an employer, **must** be registered with the New Jersey Division of Taxation and therefore cannot be an “eligible nonregistered purchaser”.

### REPRODUCTION OF FARMER'S EXEMPTION CERTIFICATES:

Private reproduction of both sides of these certificates may be made without the prior permission of the Division of Taxation.

**FOR MORE INFORMATION:** Read publication S&U-6 (Sales Tax Exemption Administration) at <http://www.state.nj.us/treasury/taxation/pdf/pubs/sales/su6.pdf>

### DO NOT MAIL THIS FORM TO THE DIVISION OF TAXATION

This form is to be completed by purchaser and given to and retained by seller

**State of New Jersey  
DIVISION OF TAXATION  
SALES TAX**

**Form ST-3NR  
RESALE CERTIFICATE FOR NON-NEW JERSEY SELLERS**

For use **ONLY** by out-of-state sellers not required to be registered in New Jersey

**[THIS FORM IS NOT VALID UNLESS FULLY COMPLETED]**

Please read and comply with instructions on both sides of this certificate.

**SELLER**

Name \_\_\_\_\_

Address \_\_\_\_\_

New Jersey Tax Registration Number \_\_\_\_\_

**PURCHASER**

Name\* \_\_\_\_\_

Business Location\* \_\_\_\_\_

State(s) of Registration \_\_\_\_\_

Out-of-State Registration Number(s)\* \_\_\_\_\_

Type of Business\* (e.g., retailer, wholesaler, manufacturer, repair shop) \_\_\_\_\_

Description of Item(s) Sold, Serviced or Leased: \_\_\_\_\_

Description of Item(s) Purchased: \_\_\_\_\_

This merchandise or service is being purchased for (check applicable item)

- Resale in its present form
- Resale as a physical component of a product produced or repaired by the producer
- Lease (outside New Jersey)

The purchaser certifies it has no place of business, employees, independent contractors, service activities, or leased tangible personal property in New Jersey, is not required to be registered with the New Jersey Division of Taxation, and in fact is not registered with the New Jersey Division of Taxation.

The purchaser further certifies that if any property purchased tax free is used or consumed by the purchaser in New Jersey making it subject to New Jersey sales and use tax, the purchaser will pay the proper tax to the Division of Taxation.

Under penalties of perjury I swear or affirm that the information on this form is true and correct to the best of my knowledge.

Print Name \_\_\_\_\_

Authorized Signature \_\_\_\_\_  
(Owner, Partner, Corporate Officer)

Title \_\_\_\_\_ Date \_\_\_\_\_

Address (if different from above) \_\_\_\_\_

\_\_\_\_\_

## **INSTRUCTIONS FOR USE OF RESALE CERTIFICATE FOR NON-NEW JERSEY SELLERS ST-3NR**

1. Registered sellers who accept fully completed exemption certificates within 90 days subsequent to the date of sale are relieved of liability for the collection and payment of sales tax on the transactions covered by the exemption certificate. The following information must be obtained from a purchaser in order for the exemption certificate to be fully completed:
  - Purchaser's name and address;
  - Type of business;
  - Reason(s) for exemption;
  - Purchaser's New Jersey tax identification number or, for a purchaser that is not registered in New Jersey, the Federal employer identification number or out-of-State registration number. Individual purchasers must include their driver's license number;
  - If a paper exemption certificate is used (including fax), the signature of the purchaser.

The seller's name and address are not required and are not considered when determining if an exemption certificate is fully completed. A seller that enters data elements from paper into an electronic format is not required to retain the paper exemption certificate.

The seller may, therefore, accept this certificate as a basis for exempting sales to the signatory purchaser and is relieved of liability even if it is determined that the purchaser improperly claimed the exemption. If it is determined that the purchaser improperly claimed an exemption, the purchaser will be held liable for the nonpayment of the tax.

2. **Retention of Certificates** – Certificates must be retained by the seller for a period of not less than four 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.
3. **Acceptance of an exemption certificate in an audit situation** – On and after October 1, 2011, if the seller either has not obtained an exemption certificate or the seller has obtained an incomplete exemption certificate, the seller has at least 120 days after the Division's request for substantiation of the claimed exemption to either:
  1. Obtain a fully completed exemption certificate from the purchaser, taken in good faith, which, in an audit situation, means that the seller obtain a certificate claiming an exemption that:
    - (a) was statutorily available on the date of the transaction, and
    - (b) could be applicable to the item being purchased, and
    - (c) is reasonable for the purchaser's type of business, OR
  2. Obtain other information establishing that the transaction was not subject to the tax.

If the seller obtains this information, the seller is relieved of any liability for the tax on the transaction unless it is discovered through the audit process that the seller had knowledge or had reason to know at the time such information was provided that the information relating to the exemption claimed was materially false or the seller otherwise knowingly participated in activity intended to purposefully evade the tax that is properly due on the transaction. The burden is on the Division to establish that the seller had knowledge or had reason to know at the time the information was provided that the information was materially false.

### **EXAMPLES OF PROPER USE OF RESALE CERTIFICATE FOR NON-NEW JERSEY SELLERS**

- (a) A craftsman registered in Pennsylvania as a retail and wholesale seller of furniture comes to New Jersey to purchase lumber which they will use in making furniture.
- (b) A merchant registered as a retail seller of books in Connecticut purchases books for their inventory from a New Jersey dealer and sends their employee to pick up the merchandise.
- (c) A computer store owner registered as a retailer in Wisconsin purchases canned software for their inventory while attending a trade show in New Jersey, and carries it away from the show themselves.

### **EXAMPLES OF IMPROPER USE OF RESALE CERTIFICATE FOR NON-NEW JERSEY SELLERS**

- (a) A lumber dealer may not accept an ST-3NR from a contractor who intends to use it in working on their customers' real property, because under New Jersey law, contractors are considered to be the retail purchasers of the construction materials that they use.
- (b) A bookseller may not accept an ST-3NR from a doctor who is purchasing books for patients to read in their waiting room, because this would not be a purchase for resale.
- (c) A candy wholesaler may not accept an ST-3NR from a purchaser who shows a New Jersey store address on the form, because this information would give the seller reason to believe that the purchaser should be registered in New Jersey.
- (d) A plant nursery may not accept an ST-3NR from a New York florist who requests delivery of the plants by common carrier to their New York location, because this would not be a New Jersey sale.

### **REPRODUCTION OF RESALE CERTIFICATE FORMS**

Private reproduction of both sides of resale certificates may be made without the prior permission of the Division of Taxation.

**FOR MORE INFORMATION:** Read publication S&U-6 (Sales Tax Exemption Administration) at

<http://www.state.nj.us/treasury/taxation/pdf/pubs/sales/su6.pdf>

### **DO NOT MAIL THIS FORM TO THE DIVISION OF TAXATION.**

This form is to be completed by purchaser and given to and retained by seller.

**ST-3**  
(3-23)

**New Jersey Division of Taxation**

**Sales Tax  
Resale Certificate**

Check applicable box:

Single-Purchase Certificate

Blanket Certificate

The seller must collect Sales Tax on the sale of taxable property or services unless the purchaser gives them a fully completed exemption certificate.

**Do not mail this form to the Division of Taxation.**

**Seller**

Name \_\_\_\_\_

Address \_\_\_\_\_  
Street City State ZIP Code

**Purchaser**

New Jersey Taxpayer Identification Number \_\_\_\_\_

Name\* \_\_\_\_\_  
As registered with the New Jersey Division of Taxation

Address\* \_\_\_\_\_  
Street City State ZIP Code

Type of Business\* \_\_\_\_\_

The purchaser certifies that:

- (1) They hold a valid Certificate of Authority to collect New Jersey Sales and Use Tax.
- (2) They are principally engaged in the sale of (indicate nature of property or service sold):

\_\_\_\_\_

- (3) The property or services being purchased are described as follows:

\_\_\_\_\_

- (4) The **property** described above is being purchased for (check all boxes that apply):

- Resale in its present form.
- Resale as converted into or as a component part of a product by the purchaser.
- Use in the performance of a taxable service on personal property and will become part of the property being serviced or will later be transferred to the purchaser of the service in conjunction with the performance of the service.

- (5) The **services** described above are being purchased (check the box that applies):

- By seller who will either collect tax or will resell services.
- To be performed on personal property held for sale.

I, the undersigned purchaser, have read and complied with the instructions and rules promulgated pursuant to the New Jersey Sales and Use Tax Act with respect to the use of the resale certificate, and it is my belief that the seller named herein is not required to collect the Sales or Use Tax on the transaction or transactions covered by this certificate. The undersigned purchaser hereby swears under the penalties for perjury and false swearing that all of the information shown in this certificate is true.

Print Name \_\_\_\_\_

Authorized Signature\* \_\_\_\_\_  
(Owner, Partner, Corporate Officer)

Title \_\_\_\_\_ Date \_\_\_\_\_

\*Required

**This form may be reproduced**



# Form ST-3 Instructions

## Completing the Certificate

To claim an exemption from Sales Tax on the purchase of taxable property or services, the purchaser must provide a fully completed exemption certificate to the seller. Otherwise, the seller must collect the tax. The purchaser must provide the following information for the exemption certificate to be considered fully completed:

- Name and address;
- New Jersey taxpayer identification number;
- Type of business;
- Reason(s) for exemption;
- Signature, if using a paper exemption certificate (including fax).

The seller's name and address are **not** required for the exemption certificate to be considered fully completed.

## Accepting the Certificate

A seller must be registered to accept an exemption certificate. The seller is relieved of liability for collecting Sales Tax on transaction(s) covered by the certificate as long as the certificate is fully completed and is received within 90 days of the date of sale. The seller is relieved of liability even if the purchaser improperly claimed the exemption, in which case the purchaser will be held liable for nonpayment of the tax.

## Accepting the Certificate in an Audit Situation

If the seller either has not obtained an exemption certificate or has obtained an incomplete exemption certificate, the seller has at least 120 days after the Division's request for substantiation of the claimed exemption to either:

1. Obtain a fully completed exemption certificate from the purchaser taken in good faith, which in an audit situation means the exemption:
  - Was statutorily available on the date of the transaction(s); and
  - Could apply to the property or service being purchased; and
  - Is reasonable for the purchaser's type of business; **or**
2. Obtain other information establishing that the transaction(s) was not subject to tax.

If the seller obtains this information, the seller is relieved of any liability for the tax on the transaction unless it is discovered through the audit process that the seller had knowledge or had reason to know at the time the information was provided that the information relating to the exemption claimed was materially false or the seller otherwise knowingly participated in activity intended to purposefully evade the tax that is properly due on the transaction. The burden is on the Division to establish that the seller had knowledge or had reason to know at the time the information was provided that the information was materially false.

## Blanket Certificates

A single exemption certificate may cover additional purchases of the same general type of property by the same purchaser with which the seller has a recurring business relationship. For purposes of this section, a recurring business relationship exists when a period of no more than 12 months elapses between sales transactions.

To use this form as a blanket certificate, check the applicable box at the top of the form. Each subsequent sales slip or purchase invoice based on the blanket certificate must be clearly marked with the purchaser's name, address, and identification number.

## Retention of Certificates

Certificates must be retained by the seller for four 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. A seller that enters data elements from paper into an electronic format is not required to retain the paper exemption certificate.

## Examples

### Proper Use of Form ST-3

1. A retail appliance store owner issues a resale certificate when purchasing appliances from a supplier for resale.
2. A furniture manufacturer issues a resale certificate when purchasing lumber to be used in manufacturing furniture for sale.
3. A service station operator issues a resale certificate when purchasing auto parts to be used in repairing customers' cars.

### Improper Use of Form ST-3

In the examples below, the seller **cannot** accept a resale certificate and must collect Sales Tax.

1. A lumber dealer cannot accept a resale certificate from a tire dealer that is purchasing lumber for use in altering its premises.
2. A distributor cannot issue a resale certificate on purchases of cleaning supplies and other materials for its own office maintenance, even though it is in the business of distributing such supplies.
3. A retailer cannot issue a resale certificate on purchases of office equipment for its own use, even though it is in the business of selling office equipment.
4. A supplier cannot accept a resale certificate from a service station that purchases tools and testing equipment for use in its business.
5. A contractor cannot issue Form ST-3 for purchases of materials and supplies. If the property being worked on belongs to a qualified exempt organization, a qualified Urban Enterprise Zone business, or a qualified housing sponsor, see Contractor's Exempt Purchase Certificate (Form ST-13) and Contractor's Exempt Purchase Certificate - Urban Enterprise Zone (Form UZ-4).

For more information, see S&U-6, *Sales Tax Exemption Administration*, which is available at [www.nj.gov/treasury/taxation/pdf/pubs/sales/su6.pdf](http://www.nj.gov/treasury/taxation/pdf/pubs/sales/su6.pdf)