



*Northern Highlands Regional High School District  
Board of Education*

*Sue Anne Mather  
Business Administrator  
Board Secretary  
[mathers@northernhighlands.org](mailto:mathers@northernhighlands.org)*

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**MEMORANDUM**

**TO:** All Vendors, Contractors and Other Interested Parties

**FROM:** Sue Anne Mather, Business Administrator/Board Secretary

**RE:** Tax Exempt Status of School Districts

PLEASE BE ADVISED that local school districts, such as *Northern Highlands Regional High School*, as a political subdivision of the State of New Jersey, are exempt from the New Jersey *Sales & Use Taxes*, pursuant to Section 9(a) of the New Jersey Sales and Use Tax Act when purchasing items for their district use, such as desks, chairs, office equipment, supplies, etc. Also, as a tax exempt organization, school districts are not required to collect sales tax on sales that are made through fund-raising events or activities, which last for a relatively short time, and are held on a regular basis during the year, provided that the proceeds only benefit the school district.

When purchasing items for use by the local school district, an exempt organization certificate or number is not required. The official letterhead of the school district signed by the Business Administrator/Board Secretary, who is the proper school officer, is sufficient proof to the vendor that the local school district is exempt from paying taxes. Our purchase order duly signed by the Business Administrator/Board Secretary serves this purpose. Sometimes, a vendor will accept our Federal Tax ID Number for tax exempt purposes. This number can be found on our purchase order. *State law prohibits the payment of sales taxes for purchases or reimbursements.*

Please refer to the memorandum from the State of New Jersey Department of Education from the Assistant Commissioner of Education, Division of Administration and Finance, dated June 1, 1994 for confirmation of the above, and for further clarification and information related to items, which are purchased for resale and purchased for fund-raising purposes, which are made by school affiliated groups such as band or support groups.

State of New Jersey  
DIVISION OF TAXATION

SALES TAX

FORM ST-4

PURCHASER'S NEW JERSEY  
TAXPAYER REGISTRATION NUMBER\*

22-1696560

ELIGIBLE NONREGISTERED  
PURCHASER: SEE INSTRUCTIONS \*\*

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\*:

New Jersey Tax ID # 22-1696560

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.

Northern Highlands Regional High School District

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

298 Hillside Avenue, Allendale, NJ 07401

(Address of Purchaser)\*

Public School District

TYPE OF BUSINESS\*

BY 

Business Administrator

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

(Title)

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.
- \*\*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.