

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 1522

STATE OF NEW JERSEY
220th LEGISLATURE

ADOPTED JUNE 27, 2022

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SYNOPSIS

Establishes annual sales tax holiday for certain retail sales of computers, school computer supplies, school supplies, school art supplies, school instructional materials and sport or recreational equipment.

CURRENT VERSION OF TEXT

Substitute as adopted by the Assembly Budget Committee.

(Sponsorship Updated As Of: 6/29/2022)

1 AN ACT establishing an annual ten-day exemption period under the
2 sales and use tax for certain retail sales of school supplies and
3 sport or recreational equipment and supplementing P.L.1966,
4 c.30 (C.54:32B-1 et seq).

5

6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:

8

9 1. a. Receipts from retail sales of the following products are
10 exempt from the tax imposed under the "Sales and Use Tax Act,"
11 P.L.1966, c.30 (C.54:32B-1 et seq.) if the products are sold to an
12 individual purchaser for non-business use during the exemption
13 period:

- 14 (1) computers with a sales price of less than \$3,000 per item;
15 (2) school computer supplies with a sales price of less than
16 \$1,000 per item;
17 (3) school supplies;
18 (4) school art supplies;
19 (5) school instructional materials; and
20 (6) sport or recreational equipment.

21 b. As used in this section:

22 "Annual exclusion period" means the period of time between
23 12:01 a.m. on the ninth day preceding the first Monday in
24 September of each year and 11:59 p.m. on the first Monday in
25 September of each year;

26 "Computers" means electronic devices that accept information in
27 digital or similar form and manipulate it for a result based on a
28 sequence of instructions;

29 "Electronic" means relating to technology having electrical,
30 digital, magnetic, wireless, optical, electromagnetic, or similar
31 capabilities;

32 "School art supplies" means items commonly used by a student
33 in a course of study for artwork, and shall include: clay and glazes;
34 paints, including acrylic, tempera, and oil; paintbrushes used for
35 artwork; sketch and drawing pads; and watercolors;

36 "School computer supplies" means items commonly used by a
37 student in a course of study in which a computer is used, and shall
38 include: computer storage media, diskettes, and compact disks;
39 handheld electronic schedulers, except devices that are cellular
40 phones; personal digital assistants, except devices that are cellular
41 phones; computer printers; and printer supplies for computers,
42 printer paper, and printer ink;

43 "School instructional materials" means written materials
44 commonly used by a student in a course of study as a reference and
45 to learn the subject being taught, and shall include: reference books;
46 reference maps and globes; textbooks; and workbooks;

47 "School supplies" means items commonly used by a student in a
48 course of study, and shall include: binders; book bags; calculators;

1 cellophane tape; blackboard chalk; compasses; composition books;
2 crayons; erasers; folders, including expandable folders, pocket
3 folders, plastic folders, and manila folders; glue, paste, and paste
4 sticks; highlighters; index cards; index card boxes; legal pads; lunch
5 boxes; markers; notebooks; paper, including loose leaf ruled
6 notebook paper, copy paper, graph paper, tracing paper, manila
7 paper, colored paper, poster board, and construction paper; pencil
8 boxes and other school supply boxes; pencil sharpeners; pencils;
9 pens; protractors; rulers; scissors; and writing tablets; and

10 “Sport or recreational equipment” means items designed for
11 human use and worn in conjunction with an athletic or recreational
12 activity that are not suitable for general use, and shall include, but
13 not be limited to: ballet and tap shoes; cleated or spiked athletic
14 shoes; gloves, including baseball gloves, bowling gloves, boxing
15 gloves, hockey gloves, and golf gloves; goggles; hand and elbow
16 guards; life preservers and vests; mouth guards; roller and ice
17 skates; shin guards; shoulder pads; ski boots; waders; and wetsuits
18 and fins.

19

20 2. Notwithstanding the provisions of the “Administrative
21 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to the
22 contrary, the Director of the Division of Taxation in the Department
23 of the Treasury may adopt immediately upon filing with the Office
24 of Administrative Law, such regulations as the director deems
25 necessary to implement the provisions of section 1 of P.L. .
26 c. (C.) (pending before the Legislature as this bill) and to
27 maintain compliance with the Streamlined Sales and Use Tax
28 Agreement, which regulations shall be effective for a period not to
29 exceed 180 days from the date of the filing. The regulations may
30 therefore be amended, adopted, or readopted by the director as the
31 director deems necessary in accordance with P.L.1968, c.410.

32

33 3. This act shall take effect immediately and shall apply to
34 retail sales made during annual exemption periods occurring at least
35 30 days following enactment.