

FAQS FOR THE RECYCLING ENHANCEMENT ACT (P.L. 2007, C.311)

(DEP SW Hauler Registration: 609-292-7081;
Taxation-Regulatory Services Branch 609-292-5995)
<http://www.state.nj.us/treasury/taxation/recyclingtaxinfo.htm>

1. Is material that is being utilized in accordance with a Beneficial Use Determination (BUD), especially at a landfill, subject to the tax?

Answer: No, by definition, material utilized in accordance with a BUD is not disposal.

2. Are Recycling Centers, whether class A, B, C or D, subject to the tax?

Answer: Recycling centers, A, B, C, or D are by definition not solid waste facilities and therefore, are not subject to the tax.

3. Are Material Recovery Facilities (MRFs) solid waste facilities subject to the tax?

Answer: Yes, MRFs are permitted solid waste facilities subject to the tax.

4. Is 13C solid waste exempt from the tax?

Answer: No. There may be MRFs that meet the DEP's established recyclable materials extraction rate, of 50% or greater, that qualify for an exemption from the tax for all the 13C waste the facility receives, however, that does not mean type 13C waste is not subject to the tax.

5. Does material extracted at a MRF for a BUD issued by the Department for fuel substitute, or other approved uses, count toward the MRF's extraction rate determination?

Answer: Yes.

6. How must a collector/hauler pass on the surcharge it is assessed at a solid waste facility to its various customers?

Answer: There is no mandated method as long as the collector/hauler is being fair and reasonable apportioning the charge as it chooses.

7. I am a NJ solid waste collector/hauler and only take my waste either to a NJ solid waste facility or recycling center. Do I have to be registered with the NJ Division of Taxation and pay any tax to NJ?

Answer: No, only collector/haulers that take waste directly out of state for disposal or to an in-state NJ railway facility need to be registered with the NJ Division of Taxation and pay tax on the amount of waste sent either directly out of state for disposal or to a NJ railway facility.

8. I am a facility that has collected tax between Jan 16 and April 1, which is the revised effective date of the tax. What should I do with the money I have already collected?

Answer. The statute is silent on this issue, so it is up to the facility and its customers how this issue should be dealt with.

9. Where a transfer station has accepted solid waste, paid the recycling tax on its accepted tonnage and then forwards that solid waste to another in-State facility, is the acceptance of the solid waste at the second facility subject to the recycling tax?

Answer: No, the law expressly exempts from the recycling tax the acceptance of solid waste at an in-State facility when the solid waste has already been accepted by a transfer station and tax has been paid.