



NEW JERSEY

Incentive Programs

Sales and Use Tax Exemption Program (STX)

If You Are:

A company with 1,000 or more employees that needs to make purchases for construction and renovation of a new business location.

You Can Apply For:

A sales tax exemption certificate.

Note – Applies only to property purchased for installation in approved project.

To Be Used To:

Purchase machinery, equipment, furniture and furnishings, fixtures and building materials other than tools and supplies for placement at the project location without the imposition of sales and use tax until the new facility is functional.

Benefits:

This program encourages economic development and preserves jobs that currently exist in the State of New Jersey.

Program Details:

The Sales and Use Tax Exemption Program (STX) is often used in conjunction with the BRRAG Tax Credit Program. An approved company can receive a sales tax exemption certificate, which applies only to property purchased for installation at the approved project site. This certificate allows the business to purchase machinery, equipment, furniture, fixtures, and building materials for the project without the imposition of the state's 7% sales tax.

- A company must have 1,000 or more employees and relocate at least 500 workers to a new substantially rehabilitated facility.
- Life sciences or manufacturing companies relocating 250 or more employees may be eligible.
- Companies must maintain the retained full-time jobs for five years.
- Qualifying companies must demonstrate that receiving the Sales and Use Tax Exemption benefit is a material factor in the company's decision not to relocate outside of New Jersey, they must provide health care benefits to employees, and they or a predecessor entity must have operated in New Jersey for at least 10 years (point-of-purchase/retail facilities are excluded).



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continued

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Fees:*

- Application fee: \$1,000

Division of Taxation Tax Clearance Certificate Application Processing Fee: \$75 for standard processing; \$200 for expedited processing (response within three business days).

For more information on Sales and Use Tax Exemption Program (STX), visit www.njeda.com.

*All fees are non-refundable.



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The company we keep,
keeps getting better.