

Ending Your Tax Registration in New Jersey

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Introduction

If you are registered with the State of New Jersey for tax purposes, you must formally withdraw your registration if you decide to: (1) sell the business or organization; (2) close the business or organization; or (3) not pursue the business or organization (after registering). Failure to properly notify the State that you are no longer operating in New Jersey may cause you to receive a *Notice of Delinquency* from the Division of Taxation for any tax returns due and not filed.

All Taxpayers

All businesses (or other organizations) must follow certain procedures when ending their operations in New Jersey. The taxes for which the business or organization is registered determine the steps that must be taken. Corporations, limited liability companies (LLCs), limited partnerships (LPs), and limited liability partnerships (LLPs) must also follow the steps described under *Corporations* or *LLCs, LPs, and LLPs* on the next page.

Sales & Use Tax

If you are registered to collect New Jersey sales tax, remit use tax, and/or issue or receive sales tax exemption certificates (e.g., Forms ST-3 or ST-4), you must:

1. File an ending sales and use tax return clearly marked “**FINAL RETURN**” for the last period that the organization or business was open, even if there is no sales or use tax due for that period. If you file both monthly and quarterly returns, you must file a final *quarterly* return by the due date.
2. Report your change of tax/registration information: online — submit the Online Registration Change (REG-C) on the Division of Revenue’s Web site (www.state.nj.us/treasury/revenue/), or by mail — complete the back of Form NJ-C (Change of Tax Information) located in the ST-50/51 booklet or Form REG-C-L (Request for Change of Registration Information) located in the New Jersey Complete Business Registration Package (NJ REG). Indicate the date on which operations ceased.
3. Complete the reverse side of the Certificate of Authority for sales tax and the Business Registration Certificate (if applicable), indicating the last day of business and the name of any successor in the spaces provided on the back of each form. If you do not have the Certificate of Authority for sales tax that was issued to you, notify the State of this fact in writing at the address below.
4. Return the Certificate of Authority, Business Registration Certificate (if applicable), and the NJ-C or REG-C-L form to: New Jersey Division of Revenue, Client Registration, PO Box 252, Trenton, NJ 08646-0252. If you submitted an Online Registration Change, you do not have to send in either Form NJ-C or REG-C-L.

Gross Income Tax Withholdings

If you are registered to withhold New Jersey income tax from wages, pension/annuity payments, or gambling winnings, and terminate operations, you must:

1. Furnish each employee or recipient of other payments with a copy of his or her Form W-2, Form 1099-R, or other recipient statement *within 30 days* from the date of the last payment.
2. Submit a Request for Change of Registration Information (Form REG-C or Form REG-C-H) completed on the back to show the date on which operations (and payment of wages) ceased. Form REG-C is contained in the quarterly packet of withholding returns (Forms NJ-927 or NJ-927-W). Form REG-C-H is included with the annual employer withholding return (Form NJ-927-H). You may submit an Online Registration Change (REG-C) on the Division of Revenue’s Web site (www.state.nj.us/treasury/revenue/) in lieu of sending in Form REG-C or REG-C-H.
3. File an ending quarterly return (Form NJ-927 or NJ-927-W) or annual return (Form NJ-927-H) of New Jersey income tax withheld marked “**FINAL RETURN**” (even if the amount withheld for the filing period is zero) by the due date.
4. File a Reconciliation of Tax Withheld (Form NJ-W-3) accompanied by the appropriate Forms W-2, Forms 1099-R, and/or Schedule NJ-W3-G with the corresponding recipient statements (Forms W-2G, 1042-S), and a totaled listing of the amounts of New Jersey income tax withheld. Form NJ-W-3 must be filed by the last day of the month that follows the due date of your final Form NJ-927 or NJ-927-W. Form NJ-927-H filers must file Form NJ-W-3 by the last day of February

Other Taxes

following the close of the calendar year in which payment of wages ceased. If you are not registered for sales tax or income tax withholding purposes, report your change of tax/registration information by completing the Online Registration Change (REG-C) on the Division of Revenue's Web site (www.state.nj.us/treasury/revenue/). You may also complete the Request for Change of Registration Information, Form REG-C-L, located in the New Jersey Complete Business Registration Package (NJ REG) or notify the State by letter at: New Jersey Division of Revenue, Client Registration, PO Box 252, Trenton, NJ 08646-0252. Be sure to include the name, address, New Jersey tax identification number, and the ending date of the business or organization. File final returns for all years and/or periods for all applicable taxes.

Corporations

In addition to complying with the procedures described previously, every corporation ending operations in New Jersey must:

1. File an Application for Tax Clearance Certificate 90 days before the proposed date of the intended dissolution or withdrawal. (A Tax Clearance Certificate valid for 45 days will be issued after steps 2-4 have been completed.)
2. File all returns due for all years and/or periods for all applicable taxes (i.e., corporation business tax, sales and use tax, gross income tax withheld, etc.).
3. File an Estimated Summary Tax Return (Form A-5052) with accompanying schedules. It must be completed on an estimated basis for the current period from the close of the last accounting period to the proposed date of dissolution or withdrawal.
4. Submit an affidavit, duly signed and sworn by an officer of the corporation, as required by instruction 3 on Form A-5052. If the information provided is not sufficient for the Corporation Business Tax Section, you will receive a letter from the Division of Taxation requesting more information.
5. Obtain a Certificate of Dissolution or Withdrawal from the Division of Revenue, Business Services Bureau, or an attorney. Submit this form along with your Tax Clearance Certificate to the Division of Revenue, Business Services Bureau by the final date appearing on the Tax Clearance Certificate. For Corporation Business Tax purposes, the legal ending date of a corporation is the date on which the Division of Revenue, Business Services Bureau dissolves or withdraws that corporation. The date can never be later than the last date indicated on the Tax Clearance Certificate.
6. File final corporation business tax returns (Form CBT-100/CBT-100S) within 30 days. The returns will cover the period from the beginning of the current accounting period to the legal date of dissolution or withdrawal.

Under certain circumstances, a corporation may file a certificate of dissolution with the New Jersey Division of Revenue, Business Services Bureau, without obtaining a tax clearance certificate from the Division of Taxation. However, there is no exemption from filing all required returns and paying any amounts due.

A Corporation Dissolution Kit containing a New Jersey Estimated Summary Tax Return, an Application for Tax Clearance Certificate and complete instructions can be ordered online at the Division of Taxation's Web site (www.state.nj.us/treasury/taxation/), or by calling our automated Forms Request System from a Touch-tone phone at 1-800-323-4400 (within NJ, NY, PA, DE, and MD), or 609-826-4400 (anywhere).

LLCs, LPs, and LLPs

LLCs, LPs, and LLPs that cancel or withdraw from New Jersey follow different procedures than corporations. In addition to complying with the procedures for ending sales and use tax, gross income tax withholdings, or other tax eligibility, these entities must:

- Complete and file the appropriate Certificate of Cancellation (Form LP-103, LP-103A, or L-109) or Notice of Withdrawal (Form L-209). Forms are available on the Division of Revenue's Web site (www.state.nj.us/treasury/revenue/) or by calling 609-292-9292.
- File a New Jersey partnership return, Form NJ-1065, at the same time as the Federal return if a Federal partnership return, Form 1065, is required.

For More Information

For more information on ending your business in New Jersey, contact our Customer Service Center at 609-292-6400, e-mail us at taxation@tax.state.nj.us, or write to: New Jersey Division of Taxation, Information and Publications Branch, PO Box 281, Trenton, NJ 08695-0281. Many State tax forms and publications are available by fax and on our Web site. Call NJ TaxFax at 609-826-4500 from your fax machine's phone, or access our home page at: <http://www.state.nj.us/treasury/taxation/>

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