

What is an enrolled agent?

Enrolled agents (EAs) are America's tax experts. EAs are the **only** federally-licensed tax practitioners who specialize in taxation and also have **unlimited** rights to represent taxpayers before the Internal Revenue Service.

What are the differences between enrolled agents and other tax preparers?

An enrolled agent is a person who has earned the privilege of representing taxpayers before the Internal Revenue Service by either passing a stringent and comprehensive examination covering both individual and business tax returns, or through experience as a former IRS employee.

Enrolled agent status is the highest credential the IRS awards.

Individuals who obtain this elite status must adhere to ethical standards and enrolled agents, like attorneys and certified public accountants (CPAs), have unlimited practice rights. This means they are unrestricted as to which taxpayers they can represent, what types of tax matters they can handle, and which IRS offices they can represent clients before.

The difference lies in the depth of experience and understanding of not just how to prepare a tax return, but rather the expertise and knowledge of the tax law that may be used not only to prepare a tax return, but also to represent the taxpayer.

How can an enrolled agent help me?

Enrolled agents advise, represent and prepare tax returns of individuals, partnerships, corporations, estates, trusts and any other entity with tax reporting requirements. EAs prepare millions of tax returns each year and their expertise in the continually changing field of taxation enables them to effectively represent taxpayers audited by the IRS.

Some enrolled agents work only during tax season or by appointment only, while other enrolled agents have year round practices. In addition to **tax preparation** and tax representation, many enrolled agents offer other business services which may include:

- Tax Return Preparation
- Bookkeeping
- Financial planning or budgeting
- Payroll services
- Financial statement preparation

Who Is Exempt from NJ Sales Tax?



Mary Sunderland

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Enrolled Agent

Licensed to Represent Taxpayers

*before the
Internal Revenue Service*

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Who is Exempt from NJ Sales Tax?

The most common certificates are the Resale Certificate (Form ST-3), Exempt Use Certificate (Form ST-4), and Exempt Organization Certificate (Form ST-5)

- **New Jersey Exemption Certificates Resale Certificate (Form ST-3)**

Form ST-3 is used by registered sellers to purchase tangible personal property either for resale in its present form or for incorporation into other property held for sale.

- **Exempt Use Certificate (Form ST-4)**

Form ST-4 makes it possible for businesses to purchase production machinery, packaging supplies, and other goods or services without paying sales tax if the way they intend to use these items is specifically exempt under New Jersey law.

- **Exempt Organization Certificate (Form ST-5)**

An Exempt Organization Certificate, Form ST-5, is used by a qualified, registered nonprofit organization to purchase, with its own funds, goods and services for its exclusive use without paying sales tax. Some examples of organizations that may have exempt status are churches, hospitals, veterans' organizations, and fire companies.

Questions & Answers

“When May I Accept New Jersey Exempt Organization Certificates?”

When you sell taxable merchandise or services, you are required to collect 7% sales tax and remit it to the State. However, when you are presented with a New Jersey Exempt Organization Certificate (Form ST-5), you may not charge your customer sales tax if you have accepted the certificate in “good faith.”

“Do I Need a New Exempt Organization Certificate for Each Transaction?”

No. Additional purchases of a similar type by the same organization may be covered by one certificate provided the merchandise will be used exclusively for the purpose of the exempt organization. You should keep your original copy of the certificate in your files and record each subsequent sale by stating the organization’s name, address and exempt organization number on the invoice or sales slip.

“How Long Should I Keep Exempt Organization Certificates After Accepting Them?”

You should keep all certificates **in your files for four years from the date of the last transaction covered by the certificate.**

For more information, contact our Customer Service Center at 609-292-6400.

Source: NJ Sales Tax Exemption Administration (NJ Pub S&U-6)

ST-3 (1-99, R-78)

State of New Jersey
DIVISION OF TAXATION
SALES TAX
FORM ST-3
RESALE CERTIFICATE

PURCHASER'S NEW JERSEY CERTIFICATE OF AUTHORITY NUMBER
222-678-901/000

To be completed by purchaser and given to and retained by seller. See instructions on back.
Seller should read and comply with the instructions given on both sides of an exemption certificate.

TO: Ace Transmission Repairs Date: 5/21/06
163 Holland Ave. Budd Lake, NJ 07828
163 Holland Ave. Budd Lake, NJ 07828

The undersigned certifies that:
(1) He holds a valid Certificate of Authority (number shown above) to collect State of New Jersey Sales and Use Tax.
(2) He is principally engaged in the sale of (indicate nature of merchandise or service sold):
Motor fuels, supplies, and auto repairs
(3) The merchandise or services being herein purchased are described as follows:
Transmission repairs
(4) The merchandise described in (3) above is being purchased: (check one or more of the blocks which apply)
(a) For resale in its present form.
(b) For resale as converted into or as a component part of a product produced by the undersigned.
(c) For use in the performance of a taxable service on personal property, unless the property, which is the subject of this Certificate because part of the property being serviced, is to later be transferred to the purchaser of the service in connection with the performance of the service.
(5) The services described in (3) above are being purchased: (check the block which applies)
(a) By a vendor who will collect the tax or will collect the services.
(b) To be performed on personal property held for sale.

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 Resale Certificate, and it is my intent 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 certifies, under the penalties for perjury and false swearing that all of the information shown in this Certificate is true.

NAME OF PURCHASER: Tony's Gas Station, Inc. (as registered with the New Jersey Division of Taxation)
16 Beverly Dr., Budd Lake, NJ 07828
Signature of Purchaser: By Thomas Abbott, President
(Signature of owner, partner, officer or representative, etc.) (Title)

ST-4 (05-12, R-15)

State of New Jersey
DIVISION OF TAXATION
SALES TAX
FORM ST-4
EXEMPT USE CERTIFICATE

PURCHASER'S NEW JERSEY TAXATION REGISTRATION NUMBER

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.

Name of Seller: _____ Date: _____
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:

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. 17B-32.1. (Please 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 intent 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 certifies, under the penalties for perjury and false swearing that all of the information shown in this Certificate is true.

NAME OF PURCHASER: _____ (as registered with the New Jersey Division of Taxation)
(Address of Purchaser)
TYPE OF BUSINESS: _____
By _____
(Signature of owner, partner, officer or representative, etc.) (Title)

ST-5 (2-00, R-16)

State of New Jersey
DIVISION OF TAXATION
SALES AND USE TAX
EXEMPT ORGANIZATION CERTIFICATE
FORM ST-5

ISSUED BY: WEST WINDSOR PLAINSBORO EDUCATION FUND
505 VILLAGE RD WEST
PLAINSBORO, NJ 08550

EXEMPT ORGANIZATION NUMBER: 222-641-000/000
Effective Date: 02/14/01
Date Issued: 03/08/01

Transaction Date: _____

TO: _____
(NAME OF PURCHASER)

The undersigned certifies that the Division of Taxation has determined this organization is exempt from New Jersey Sales and Use Tax for this transaction, and this purchase is directly related to the purposes for which this organization was formed and is being purchased by the organization's funds.

Description of purchase: _____

INSTRUCTIONS FOR EXEMPT ORGANIZATION: Form ST-5 is valid for exemption from sales and use tax on all purchases (except energy and utility services) if the purchase is directly related to the organization's purposes and made with organization (not personal) funds. Retain the original ST-5 (ungraded) in file, make copies and complete and sign them for vendors.
INSTRUCTIONS FOR VENDORS (AND EXEMPT ORGANIZATIONS): In general, a seller or lessor who accepts an exemption certificate in "good faith" is relieved of liability for collection or payment of tax upon transactions covered by the certificate. "Good faith" means reliance on the certificate having the signature of a Director of the Division of Taxation (or a photocopy of the certificate) and must have the organization's name, address and exempt organization number pre-printed by the Division on the upper portion of the certificate, with no apparent alterations.
(a) The certificate must be properly completed, dated, and signed by an officer of the organization.
(b) The certificate must be properly completed, dated, and signed by an officer of the organization for its purposes.
(c) The vendor has no reason to believe that the purchase is a type not ordinarily used by the organization for its purposes.
Sales transactions not supported by proper exemption certificates shall be deemed to be taxable. The vendor has the burden of proving that tax was not required by this certificate. Certificates must be retained by the purchaser for a period of not less than four years from the date of the sale covered by the certificate. Subordinate or affiliated organizations may not use the exemption number assigned to parent organization.
Additional Purchases - This certificate covers additional similar purchases by the same organization. Each sales slip or invoice must show the organization's name and exempt organization number.

Signature of Director: Robert K. Thompson, Director, Division of Taxation
Signature of Officer or Trustee of the organization: _____
Name and Title of the Organization: _____

ST-5A PERMIT - This Exempt Organization Certificate (ST-5) may serve as an Exempt Organization Permit (ETPA) for the organization to which the certificate is issued.