

CHAPTER 21

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

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

C.54:32B-8.21a School supplies, products exempt; “Sales and Use Tax Act”; definitions.

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

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

b. As used in this section:

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

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

“Electronic” means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities;

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

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

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

“School supplies” means items commonly used by a student in a course of study, and shall include: binders; book bags; calculators; cellophane tape; blackboard chalk; compasses; composition books; crayons; erasers; folders, including expandable folders, pocket folders, plastic folders, and manila folders; glue, paste, and paste sticks; highlighters; index cards; index card boxes; legal pads; lunch boxes; markers; notebooks; paper, including loose leaf ruled notebook paper, copy paper, graph paper, tracing paper, manila paper, colored paper, poster board, and construction paper; pencil boxes and other school supply boxes; pencil sharpeners; pencils; pens; protractors; rulers; scissors; and writing tablets; and

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

C.54:32B-8.21b Regulations, adoption.

2. Notwithstanding the provisions of the “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, the Director of the Division of Taxation in the Department of the Treasury may adopt immediately upon filing with the Office of Administrative Law, such regulations as the director deems necessary to implement the provisions of section 1 of P.L.2022. c.21 (C.54:32B-8.21a) and to maintain compliance with the Streamlined Sales and Use Tax Agreement, which regulations shall be effective for a period not to exceed 180 days from the date of the filing. The regulations may therefore be amended, adopted, or readopted by the director as the director deems necessary in accordance with P.L.1968, c.410.

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

Approved June 30, 2022.