



Ending Your Tax Registration in New Jersey

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Introduction

Businesses (or other organizations) that are registered with the State of New Jersey for tax purposes must formally withdraw their registration if they 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 the business or organization is no longer operating in New Jersey may cause a *Notice of Delinquency* to be issued by 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

Taxpayers that 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) must:

1. File an ending sales and use tax 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 both monthly and quarterly returns are filed, a final *quarterly* return must be filed by the due date.
2. Report their change of tax/registration information. Submit an Online Registration Change (REG-C) on the Division of Revenue's Web site (www.state.nj.us/treasury/revenue/), or send a Request for Change of Registration Information (REG-C-L) by mail to indicate the date on which operations ceased. Form REG-C-L is located in the New Jersey Complete Business Registration Package (NJ REG).
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. Taxpayers that do not have the Certificate of Authority for sales tax that was issued to them must 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 REG-C-L form to: New Jersey Division of Revenue, Client Registration, PO Box 252, Trenton, NJ 08646-0252. If an Online Registration Change was submitted, it is not necessary to send in Form REG-C-L.

Gross Income Tax Withholdings

Taxpayers that are registered to withhold New Jersey income tax from wages, pension/annuity payments, or gambling winnings, and terminate operations 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. Report their change of tax/registration information. Submit an Online Registration Change (REG-C) on the Division of Revenue's Web site (www.state.nj.us/treasury/revenue/), or send a Request for Change of Registration Information (Form REG-C, Form REG-C-H, or Form REG-C-L) by mail to indicate 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). Form REG-C-L is located in the New Jersey Complete Business Registration Package (NJ REG).
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 (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 the 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 following the close of the calendar year in which payment of wages ceased. Form NJ-W-3 is included in the quarterly packet of withholding returns (Forms NJ-927 and NJ-927-W) for the fourth quarter. Taxpayers who file annual employer withholding returns receive Form NJ-W-3 with their Form NJ-927-H. Form NJ-W-3M is available on the Division of Taxation's Web site at: www.state.nj.us/treasury/taxation/prntempl.shtml for taxpayers that have not yet received their Form NJ-W-3.

Other Taxes

Taxpayers that are not registered for sales tax or income tax withholding purposes report their 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/). They 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. The notification must include the name, address, New Jersey tax identification number, and the ending date of the business or organization. Final returns for all years and/or periods for all applicable taxes must also be filed.

Corporations

In addition to complying with the procedures described previously, every corporation ending operations in New Jersey must submit the following documents and payments together to the New Jersey Division of Revenue, Business Liquidations, PO Box 308, Trenton, NJ 08646. Over-the-counter and courier service is available at 225 West State Street, 3rd Floor, Trenton, NJ 08608, Attn: Business Liquidations.

- Appropriate dissolution/withdrawal form for your type of business.
- Estimated Summary Tax Return (A-5052-TC) with schedules completed on an estimated basis for the current period, along with the required affidavit and a separate payment for any taxes due.
- Application for Tax Clearance Certificate (Form A-5088-TC).
- Payment of \$120 (\$95 dissolution fee and \$25 tax clearance certificate application fee).

The corporation must also 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.) and pay any amounts due.

The Division of Revenue will end all business tax eligibilities for the corporation once all the properly completed documents, payments, and fees listed above are received. This ensures that the business is not subject to new tax obligations after the application has been received. If all tax obligations have been satisfied, the Division of Taxation issues a Tax Clearance Certificate for the corporation to the Division of Revenue. The effective date of the dissolution is the date on which the Division of Revenue receives the Tax Clearance Certificate. If a Tax Clearance Certificate is *not* issued, business tax eligibilities may be reactivated as if there had been no lapse in subjectivity.

NOTE: Tax eligibilities will be ended before the Tax Clearance Certificate is received, but *only* when the Division of Revenue receives the complete application package with all forms and payments listed above. If an Application for Tax Clearance Certificate is submitted separately to the Division of Taxation, business tax eligibilities will not end until the Tax Clearance Certificate is received.

Final corporation business tax returns (Form CBT-100/CBT-100S) must be filed within 30 days of the date of dissolution or withdrawal. 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 without obtaining a tax clearance certificate. 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. These entities must comply with the procedures for ending sales and use tax, gross income tax withholdings, or other tax eligibility, as well as:

- 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 tax registration in New Jersey, contact our Customer Service Center at 609-292-6400, e-mail us at nj.taxation@treas.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: www.state.nj.us/treasury/taxation/