



# CITY OF ELIZABETH

NEW JERSEY

## Franchise Assessment Instructions and Forms

City of Elizabeth  
Franchise Assessment  
Tax Collector  
50 Winfield Scott Plaza  
Elizabeth, NJ 07201

# City of Elizabeth Franchise Assessment

## Instructions for Completing The Franchise Assessment Return (FA-100)

### General Instructions

#### **Filing of Return**

All tenants of the Elizabeth Landfill Reclamation Improvement District (Jersey Gardens and Jersey Gardens Center) are required to file the Franchise Assessment monthly returns (FA-100) even when no tax is payable and no sales were made. Reference N.J.S.A. 40A: 12A-50 to 54 inclusive, the “Large Site Landfill Reclamation and Improvement Law.”

#### **Due Date**

The due date for payment of the Franchise Assessment is on or before the 20th day of the month immediately following the month of sale. If the due date falls on a weekend or a legal holiday, the return and payment are due on the next following business day.

#### **Remittance**

Make check or money order payable to the City of Elizabeth.

#### **Where to File**

File return and payment to the following;

City of Elizabeth  
Franchise Assessment  
Tax Collector  
50 Winfield Scott Plaza  
Elizabeth, NJ 07201

#### **Penalties for Late Filings**

An interest penalty is charged for Franchise Assessments not paid when due. The interest penalty is calculated at the rate of 12% per annum on the amount of the Franchise Assessment due, and an additional penalty of one-half of 1% of the amount of the unpaid assessment for each month or fraction thereof during which the Franchise Assessment remains unpaid, shall be added and collected.

#### **Information and Ruling**

For information regarding the payment of the Franchise Assessment including interest penalties contact the Tax Collector of the City of Elizabeth at (908) 820-4117.

For information regarding the Franchise Assessment contact the Chief Financial Officer of the City of Elizabeth at (908) 820-4097.

# Form FA-100

## **Gross Receipts for Month** (Total to be entered on Line 1 of FA-100)

The City of Elizabeth is due a Franchise Assessment of **three percent (3%)** within the district on the amount of the sale price of retail sales of tangible personal property and food and drink sold by businesses, valued in money, whether received in money or otherwise, excluding the cost of transportation if such cost is separately stated in the written contract and excluding any tax imposed pursuant to the Sales and Use Tax Act. Also specifically included are receipts within the district from commercial rentals, parking, hotel rooms, admission charges for sporting events, roof gardens, or cabarets, amusements or other forms of entertainment, such as theatrical, operatic, or musical performances, and recreational activities.

Receipts from all transactions, including exempt transactions, must be included in Line 1. Exempt transactions (see below – Deductions Line 2) include the sales of clothing, motor vehicles, movie theater tickets, manufacturing machinery, equipment or apparatus.

Total amounts of installment sales or other sales on credit must be included in Line 1, the gross receipts for the month during which the sales were consummated.

Receipts to be excluded from Line 1:

- Installment payments received subsequent to installment sales or other credit sales
- Sales tax collections

Detailed records should be maintained on all exclusions from gross receipts.

## **Deductions** (Total to be entered on Line 2 of FA-100 – See Deduction Worksheet)

No deduction may be made for any amount that has not been included in reported Gross Receipts (Line 1 of FA-100). Deductions may be taken only once. Thus, if a deduction has been made for an exempt clothing sale, you may not deduct that amount again as a returned purchase.

Deductions (Line 2 of FA-100) from Gross Receipts (Line 1 of FA-100) include the following:

### **I) Exempt Sales of Tangible Personal Property**

Enter total sales of tangible personal property, the sale of which is specifically exempt from the Franchise Assessment, e.g., sales of clothing, motor vehicles, movie theater tickets, manufacturing machinery, equipment or apparatus. Do not include here any returned goods.

**Clothing** – Sales of clothing and footwear for human use are exempt from the Franchise Assessment. This includes special and safety occupational clothing and equipment worn on the person that is necessary for the daily work of the user. Deductions are not allowed for assessed items of clothing that include athletic equipment and footwear, fur garments, accessories to clothing, and items that do not become an integral part of the clothing.

## **Form FA-100**

### **Deductions** (Total to be entered on Line 2 of FA-100 – See Deduction Worksheet)

(Continued)

#### **II) Returned Goods**

Enter total sales prices of purchases returned by the customer, the sale of which was subject to the Franchise Assessment. Include only the amounts refunded or credited to the customer. Do not include:

- a) Any sales tax moneys collected on returned purchases.
- b) Amounts for returned goods, the sale of which was not subject to the Franchise Assessment.
- c) Amounts that were not reported in gross receipts on Franchise Assessment Form FA-100.

Deductions are not allowed for the following:

- Sales of property delivered out of State
- Services performed out of State
- Sales and services to governmental agencies
- Capital improvement services to real property
- Exemption Certificates:
  - Resale Certificates (ST-3)
  - Exempt Use Certificate (ST-4)
  - Exempt Organization Certificate (ST-5)

#### **Penalties for Late Filings** (Total to be entered on Line 5 of FA-100)

An interest penalty is charged for Franchise Assessments not paid when due. The interest penalty is calculated at the rate of 12% per annum on the amount of the Franchise Assessment due, and an additional penalty of one-half of 1% of the amount of the unpaid assessment for each month or fraction thereof during which the Franchise Assessment remains unpaid, shall be added and collected.