

If you are an EFT debit payer, you can initiate payments through the Business Paperless Telefiling System when filing your return. If you choose not to pay the tax due at the same time you file your return, you can make an EFT debit payment by itself in a separate call later. EFT credit payers must make their cosmetic medical procedures gross receipts tax payments as separate transactions outside the Business Paperless Telefiling System. Your payment must be made by the due date to avoid penalty and interest charges.

Credit Card

To pay your tax liability by credit card, call 1-888-673-7694 or go to the Division of Taxation's website at www.state.nj.us/treasury/taxation/ after you have completed your telephone filing and received a Confirmation Number. When paying online, click on "Business Tax Payment" in the left-hand column, then choose "Cosmetic Medical Procedures Gross Receipts Tax." Click on the link "File Online." Once you have entered your New Jersey Taxpayer Identification Number and PIN (or business name), choose "All Other Payments – Deficiencies" from the list, enter the month and year for which you are making a payment, and continue. A usage fee will be added to the total tax payment when you pay by credit card.

Penalties, Interest, and Fees

Failure to file a return by the due date and/or failure to remit any taxes due by the due date will result in penalty and interest charges. Anyone required to collect the cosmetic medical procedures gross receipts tax does so as a trustee on behalf of the State of New Jersey. Thus, business owners, partners, corporate officers, and some employees of such businesses may be held personally liable for failure to collect the tax when required or for failure to file returns and remit any taxes due on a timely basis.

Late Filing Penalties

The late filing penalty is 5% per month (or fraction thereof) of the balance of tax liability due at original return due date not to exceed 25% of such tax liability. A penalty of \$100 per month (or fraction thereof) for each month the return is late will also be imposed.

Late Payment Penalty

The late payment penalty is 5% of the balance of the taxes due and paid late.

Interest

The annual interest rate is 3% above the average predominant prime rate. Interest is imposed each month (or fraction thereof) on the unpaid balance of the tax from the original due date to the date of payment. At the end of each calendar year any tax, penalties, and interest remaining due will become part of the balance on which interest is charged.

NOTE: The average predominant prime rate is the rate as determined by the Board of Governors of the Federal Reserve System, quoted by commercial banks to large businesses on December 1st of the calendar year immediately preceding the calendar year in which the payment was due or as determined by the Director in accordance with N.J.S.A. 54:48-2.

Collection Fees

In addition to the above penalties and interest, if your tax bill is sent to a collection agency, a referral cost recovery fee of 10% of the tax due will be added to your liability. If a certificate of

debt is issued for your outstanding liability, a fee for the cost of collection may also be imposed.

Phase-Out of Tax

The cosmetic medical procedures gross receipts tax is being phased out over a two-year period beginning July 1, 2012. The tax is imposed for the periods and at the rates shown:

Period	Procedures Performed	Tax Rate
September 1, 2004 – June 30, 2012		6%
July 1, 2012 – June 30, 2013		4%
July 1, 2013 – June 30, 2014		2%
July 1, 2014 and after		0%

General Information

The cosmetic medical procedures gross receipts tax is imposed on the purchase of certain cosmetic medical procedures or goods or occupancies, such as hospital or clinic stays, required for or directly related to such procedures. Cosmetic medical procedures are medical procedures performed in order to improve a person's appearance without significantly serving to prevent or treat illness or disease or to promote proper functioning of the body. Examples include cosmetic surgery, hair transplants, cosmetic injections, cosmetic soft tissue fillers, dermabrasion and chemical peels, laser hair removal, laser skin resurfacing, laser treatment of leg veins, sclerotherapy, and cosmetic dentistry.

Cosmetic medical procedures do not include reconstructive surgery or dentistry to correct or minimize abnormal structures caused by congenital defects, developmental abnormalities, trauma, infection, tumor or disease, including procedures performed in order to improve function or provide a more normal appearance.

All providers of cosmetic medical procedures and related goods or occupancies are subject to the cosmetic medical procedures gross receipts tax. Providers may include, but are not limited to, surgeons, anesthesiologists, nurses, dermatologists, electrologists, hospitals, clinics, spas, hair replacement facilities, or sellers of medical supplies that may perform cosmetic medical procedures or provide medical facility occupancies or goods required or directly related to such procedures. If you do not provide services, products, or occupancies related to cosmetic medical procedures, you are not subject to the tax.

Gross Receipts

The cash method of accounting must be used when reporting gross receipts. Under this method, all receipts are reported in the period in which they were received.

You must report gross receipts, including partial payments and installment payments, received during the three-month reporting period covered by the return (Form CMPT-100) from all services, goods, or occupancies, *including exempt services, goods, or occupancies*, that were provided by your business or practice in New Jersey. (The tax is not reported and remitted until the taxable procedure, sale, or occupancy has taken place.) You may *not* deduct expenses from receipts; the *gross* receipts received must be reported.

Do not include in gross receipts the amount of cosmetic medical procedures gross receipts tax collected.

Exempt Receipts

You may deduct the amount of all transactions included in gross receipts which are not subject to the cosmetic medical procedures gross receipts tax. No deduction may be taken for any amount which was not included in gross receipts. Exempt receipts include, but are not limited to receipts for:

- Medical procedures, tangible personal property, or occupancies covered by medical insurance.
- Procedures, tangible personal property, or occupancies that are deductible as "medical expenses" for purposes of Federal income tax.
- Services that are only indirectly related to the cosmetic medical procedure (e.g., fees charged for evaluation and referral by a primary care physician, psychiatric consultation, aftercare by a home health aide).

Your records must adequately indicate which receipts are subject to the cosmetic medical procedures gross receipts tax and which receipts are exempt from the tax.

Instructions for Telefile Worksheet Identification

New Jersey Taxpayer Identification Number. Enter your 12-digit New Jersey Taxpayer Identification Number. If your ID number begins with the letters "NJ," enter "6," "5," and the remaining 10 digits. (NOTE: If you do not enter your ID number correctly, you will not be able to file.)

PIN/Taxpayer Name. Enter your 4-digit PIN (Personal Identification Number) or the first four characters of your registered taxpayer name. If you are entering your taxpayer name, use only letters and numbers. Omit symbols and spaces. (NOTE: If you do not enter your PIN or the first four characters of your taxpayer name correctly, you will not be able to file.)

If you are registered to withhold New Jersey gross income tax from wages or other payments, your cosmetic medical procedures gross receipts tax PIN is the same PIN that you use to file employer withholding tax returns (Forms NJ-927/NJ-500 or Form NJ-927-W) online. If your business does not file employer withholding tax returns, your cosmetic medical procedures gross receipts tax PIN is the same PIN you use to file sales and use tax returns (Forms ST-50/51) online or by phone.

You must update your registration information to report that you are required to collect the tax before you can use your assigned employer or sales tax PIN or the first four characters of your registered taxpayer name to file your cosmetic medical procedures gross receipts tax return. To update your registration information online go to www.state.nj.us/treasury/revenue/.

If you have registered to collect the cosmetic medical procedures gross receipts tax and you cannot access the Business Paperless Telefiling System using either your assigned PIN or the first four characters of your registered taxpayer name, call the Division of Taxation's Customer Service Center or visit a regional office for assistance. See "Where to Get Information" on page 4.

Contact Phone Number. Enter the area code and phone number of a contact person for the taxpayer.

Tax Preparer's Identification Number. If the return is being filed by a tax preparer, enter the preparer's 9-digit Federal identification number or social security number. This information will be requested during the signature portion of the phone call.

Return Period

Quarter: Enter the number that reflects the calendar quarter covered by the return:

- 1 – January, February, March
- 2 – April, May, June
- 3 – July, August, September
- 4 – October, November, December

Year: Enter the year in which the quarter you are reporting fell.

Example: If you are filing a return for the third quarter of 2013, enter "3" for the quarter and "2013" for the year.

Return Information

Line 1 – Gross Receipts for Quarter. Providers of cosmetic medical procedures or tangible personal property or occupancies, such as hospital or clinic stays, related to cosmetic medical procedures must enter on Line 1 the total gross receipts received during the three-month reporting period covered by the return from all services, goods, or occupancies that were provided by your business or practice in New Jersey. See "Gross Receipts" on page 2 for more information. If you had no gross receipts for the quarter, enter "0."

Line 2 – Exempt Receipts. Enter on Line 2 the amount of all receipts included on Line 1 which are not subject to the cosmetic medical procedures gross receipts tax. See "Exempt Receipts" above for more information. If you had no exempt receipts for the quarter, enter "0."

Line 3 – Amount of Tax Collected. Enter on Line 3 the amount of cosmetic medical procedures gross receipts tax collected for the quarter. If you did not collect any cosmetic medical procedures gross receipts tax for the quarter, enter "0."

Line 4 – Cosmetic Medical Procedures Gross Receipts Tax Due. The system will calculate the cosmetic medical procedures gross receipts tax due and provide the amount to you. (The amount of tax due may be greater than the amount collected.) Enter the amount stated on Line 4.

Line 5 – Penalty and Interest. Compute any penalty and interest charges incurred for late payment and/or late filing for the quarter and enter the amount on Line 5. If you are unable to determine this amount, enter "0." You will be billed for any penalty or interest due.

Line 6 – Total Amount Due. The system will calculate the total amount due for the quarter and provide the amount to you. Enter the amount stated on Line 6. If you have a balance due, you must pay by e-check, credit card, or EFT. See "How to Pay" on page 1. You are not required to submit your payment on the same date as your telephone call, however, your payment must be made by the due date to avoid penalty and interest charges.

Payment Information

If you want to pay by e-check, enter on the worksheet the 9-digit bank routing number, the account number (omit hyphens, spaces, symbols, and letters), the type of account, and the date you want the payment to be debited from your account. If you are paying by EFT debit during your phone call, enter only the account type and the payment debit date. The earliest date you may select is the next business day. However, payment transactions initiated by 11:59 p.m. on the due date will be deemed timely even if the settlement date (date payment is debited from the account) is after the filing deadline.

You can also pay by credit card or EFT (debit or credit) after you have completed your telephone filing and received a Confirmation Number. See "How to Pay" on page 1.

NOTE: E-check or EFT (debit or credit) payments made using an account that is funded from a financial institution outside the United States will not be accepted.

Signature and Confirmation

Signature. You are required to affirm and sign your return by agreeing to the following statement and then providing a voice signature: "I verify and affirm that all tax information provided during this telephone call is correct. I am aware that if any of the information provided by me is knowingly false, I am subject to punishment." Your return cannot be processed without this affirmation or a signature. Tax preparers filing on behalf of clients will also be required to enter their own tax identification number.

Confirmation Number. After you sign your return, stay on the line until the system assigns you a 7-digit Confirmation Number. This number serves as proof that your return was successfully filed. Enter the number and the date you filed your return in the boxes on the worksheet along with the name of the person who "signed" the return. **Your return is not filed until you receive a Confirmation Number.**

Your Confirmation Number is your only proof that your return was successfully filed. Enter it on your worksheet and keep the worksheet for your business files for four years in case of audit. **Do not mail it to the Division of Taxation.**

If you file your quarterly return in one phone call, but make your payment by e-check or EFT debit in a separate call to the Business Paperless Telefiling System, you will receive a separate Confirmation Number for the payment transaction.

Amended Returns

If you discover an error after you file your return by phone, file an amended return by phone through the Business Paperless Telefiling System or online. If the correction results in an overpayment of tax for the quarter, file a Claim for Refund (Form A-3730). To obtain Form A-3730, visit the Division of Taxation website or call the Forms Request System. See "Where to Get Information" below.

Where to Get Information

By Phone

Call the Division of Taxation's Customer Service Center at **609-292-6400**. Representatives are available from 8:30 a.m. to 4:30 p.m., Monday through Friday (except holidays).

Online

- Division of Taxation website:
www.state.nj.us/treasury/taxation/
- Email general State tax questions:
nj.taxation@treas.state.nj.us
Do not include confidential information such as social security or Federal tax identification numbers, liability or payment amounts, dates of birth, or bank account numbers in your email.

Forms and Publications

To obtain copies of the CMPT-100 Worksheet and Instructions, as well as other tax forms and publications:

- Visit the Division of Taxation's website:
Forms: **www.state.nj.us/treasury/taxation/prntsale.shtml**
- Publications: **www.state.nj.us/treasury/taxation/pubs.shtml**
- Call NJ TaxFax at **609-826-4500** from your fax machine's phone.
- Call the Forms Request System at **1-800-323-4400** (within NJ, NY, PA, DE, and MD) or **609-826-4400** (Touch-tone phones only) to have printed forms or publications mailed to you.

NOTE: Due to budgetary constraints, supplies are limited and only certain forms and publications can be ordered through this System.

In Person

Visit a New Jersey Division of Taxation regional office. For the address of the office nearest you, call the Automated Tax Information System from a Touch-tone phone at **1-800-323-4400** (within NJ, NY, PA, DE, and MD) or **609-826-4400** or visit our website.