

# 54:32E-1

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2004                    **CHAPTER:** 53  
**NJSA:** 54:32E-1            (Tax on certain cosmetic surgery)  
**BILL NO:** A3125            (Substituted for S1782)  
**SPONSOR(S):** Cryan

**DATE INTRODUCED:** June 21, 2004

**COMMITTEE:**            **ASSEMBLY:** Budget  
**SENATE**            ----

**AMENDED DURING PASSAGE:** No

**DATE OF PASSAGE:**            **ASSEMBLY:** June 24, 2004  
**SENATE:** June 24, 2004

**DATE OF APPROVAL:** June 29, 2004

**FOLLOWING ARE ATTACHED IF AVAILABLE:**

[FINAL TEXT OF BILL](#) Original version of bill enacted

### A3125

[SPONSOR'S STATEMENT:](#) (Begins on page 3 of original bill) [Yes](#)

**COMMITTEE STATEMENT:**                    [ASSEMBLY:](#) [Yes](#)

**SENATE:** No

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** No

### S1782

[SPONSOR'S STATEMENT:](#) (Begins on page 3 of original bill) [Yes](#)

Bill and Sponsors Statement identical to A3125

**COMMITTEE STATEMENT:**                    **ASSEMBLY:** No

[SENATE:](#) [Yes](#)

Identical to Assembly Statement to A3125

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** No

**VETO MESSAGE:** No

**GOVERNOR'S PRESS RELEASE ON SIGNING:** No

**FOLLOWING WERE PRINTED:**

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext. 103 or <mailto:refdesk@njstatelib.org>.

**REPORTS:**

No

**HEARINGS:**

No

**NEWSPAPER ARTICLES:**

Yes

"Tax on cosmetic surgery riles doctors, patients," 7-3-2004 The Times, p.A5

"Debate builds around tax on cosmetic surgery," 7-3-2004 Home News Tribune, p.A3

"Price to pay for beauty going up with NJ tax," 7-3-2004 The Press, p.B8

P.L. 2004, CHAPTER 53, *approved June 29, 2004*  
Assembly, No. 3125

1 **AN ACT** imposing a tax on certain cosmetic medical procedures,  
2 supplementing Title 54 of the Revised Statutes.

3

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

6

7 1. a. There is imposed and shall be paid a tax of 6% on the gross  
8 receipts from a cosmetic medical procedure, which shall be paid by the  
9 subject of the cosmetic medical procedure, and which shall be  
10 collected from the procedure subject by the person billing the gross  
11 receipts from the cosmetic medical procedure when collecting the  
12 payment for the cosmetic medical procedure. If more than one person  
13 bills gross receipts from a single cosmetic medical procedure, each  
14 person shall be responsible for the collection of the gross receipts tax  
15 on the portion of the gross receipts billed.

16 b. For the purposes of this section, the following terms shall have  
17 the following meanings:

18 "Cosmetic medical procedure" means any medical procedure  
19 performed on a individual which is directed at improving the  
20 procedure subject's appearance and which does not meaningfully  
21 promote the proper function of the body or prevent or treat illness or  
22 disease. "Cosmetic medical procedure" includes but is not limited to  
23 cosmetic surgery, hair transplants, cosmetic injections, cosmetic soft  
24 tissue fillers, dermabrasion and chemical peel, laser hair removal, laser  
25 skin resurfacing, laser treatment of leg veins, sclerotherapy, and  
26 cosmetic dentistry. "Cosmetic medical procedure" does not include  
27 reconstructive surgery or dentistry;

28 "Cosmetic surgery" means the surgical reshaping of normal  
29 structures on the body to improve the body image, self-esteem or  
30 appearance of an individual;

31 "Gross receipts from a cosmetic medical procedure" means all  
32 amounts paid for services, property or occupancy required for or  
33 associated with the performance of a cosmetic medical procedure and  
34 billed to the procedure subject's account;

35 "Reconstructive surgery or dentistry" includes any surgery or  
36 dentistry performed on abnormal structures caused by or related to  
37 congenital defects, developmental abnormalities, trauma, infection,  
38 tumors or disease, including procedures to improve function or give  
39 a more normal appearance.

40 c. The Director of the Division of Taxation shall collect and  
41 administer the tax imposed pursuant to this section. In carrying out

1 the provisions of this section, the director shall have all of the powers  
2 and authority granted in P.L.1966, c.30 (C.54:32B-1 et seq.). The tax  
3 shall be reported and paid to the director on a quarterly basis in a  
4 manner prescribed by the Director of the Division of Taxation.

5 d. The tax imposed pursuant to this section shall be governed by  
6 the provisions of the State Uniform Tax Procedure Law, R.S.54:48-1  
7 et seq.

8 e. Notwithstanding any provision of P.L.1968, c.410 (C.52:14B-1  
9 et seq.) to the contrary, the director may adopt immediately upon filing  
10 with the Office of Administrative Law such regulations as the director  
11 deems necessary to implement the provisions of this act, which shall  
12 be effective for a period not to exceed 180 days following enactment  
13 of P.L. , c. (C. ) (now pending before the Legislature as this  
14 bill) and may thereafter be amended, adopted or readopted by the  
15 director in accordance with the requirements of P.L.1968, c.410.

16  
17 2. This act shall take effect immediately but remain inoperative  
18 until the first day of the third month following enactment.

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20  
21 STATEMENT

22  
23 This bill imposes a 6% gross receipts tax on certain cosmetic  
24 medical procedures.

25 The bill defines the taxable cosmetic medical procedures as any  
26 medical procedure performed on a individual which is directed at  
27 improving the procedure subject's appearance and which does not  
28 meaningfully promote the proper function of the body or prevent or  
29 treat illness or disease. That means that cosmetic medical procedure  
30 includes but is not limited to cosmetic surgery, hair transplants,  
31 cosmetic injections, cosmetic soft tissue fillers, dermabrasion and  
32 chemical peel, laser hair removal, laser skin resurfacing, laser  
33 treatment of leg veins, sclerotherapy, and cosmetic dentistry.

34 However, cosmetic medical procedures do not include  
35 reconstructive surgery or dentistry. The bill defines reconstructive  
36 surgery or dentistry to include any surgery or dentistry performed on  
37 abnormal structures caused by or related to congenital defects,  
38 developmental abnormalities, trauma, infection, tumors or disease,  
39 including procedures to improve function or give a more normal  
40 appearance.

41 The gross receipts tax will be paid by the subject of the cosmetic  
42 medical procedure, and will be collected from the procedure subject  
43 by the person billing the gross receipts from the cosmetic medical  
44 procedure when collecting the payment for the cosmetic medical  
45 procedure. The bill defines the gross receipts from a cosmetic medical  
46 procedure to mean all amounts paid for services, property or

1 occupancy required for or associated with the performance of a  
2 cosmetic medical procedure and billed to the procedure subject's  
3 account. If more than one person bills gross receipts from a single  
4 cosmetic medical procedure, each person doing billing shall be  
5 responsible for the collection of the gross receipts tax on the portion  
6 of the gross receipts billed. That means, for example, that if the  
7 anesthesiologist, radiologist, testing services, and admissions service  
8 bill separately from the medical specialist directly performing the  
9 procedure, each must bill the procedure subject for the separate  
10 cosmetic medical procedure expenses it has charged.

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15 Imposes 6% gross receipts tax on certain cosmetic medical  
16 procedures.

# ASSEMBLY, No. 3125

## STATE OF NEW JERSEY 211th LEGISLATURE

INTRODUCED JUNE 21, 2004

**Sponsored by:**

**Assemblyman JOSEPH CRYAN**

**District 20 (Union)**

**Co-Sponsored by:**

**Senator Bryant**

**SYNOPSIS**

Imposes 6% gross receipts tax on certain cosmetic medical procedures.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/25/2004)**

1 AN ACT imposing a tax on certain cosmetic medical procedures,  
2 supplementing Title 54 of the Revised Statutes.

3  
4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6  
7 1. a. There is imposed and shall be paid a tax of 6% on the gross  
8 receipts from a cosmetic medical procedure, which shall be paid by the  
9 subject of the cosmetic medical procedure, and which shall be  
10 collected from the procedure subject by the person billing the gross  
11 receipts from the cosmetic medical procedure when collecting the  
12 payment for the cosmetic medical procedure. If more than one person  
13 bills gross receipts from a single cosmetic medical procedure, each  
14 person shall be responsible for the collection of the gross receipts tax  
15 on the portion of the gross receipts billed.

16 b. For the purposes of this section, the following terms shall have  
17 the following meanings:

18 "Cosmetic medical procedure" means any medical procedure  
19 performed on a individual which is directed at improving the  
20 procedure subject's appearance and which does not meaningfully  
21 promote the proper function of the body or prevent or treat illness or  
22 disease. "Cosmetic medical procedure" includes but is not limited to  
23 cosmetic surgery, hair transplants, cosmetic injections, cosmetic soft  
24 tissue fillers, dermabrasion and chemical peel, laser hair removal, laser  
25 skin resurfacing, laser treatment of leg veins, sclerotherapy, and  
26 cosmetic dentistry. "Cosmetic medical procedure" does not include  
27 reconstructive surgery or dentistry;

28 "Cosmetic surgery" means the surgical reshaping of normal  
29 structures on the body to improve the body image, self-esteem or  
30 appearance of an individual;

31 "Gross receipts from a cosmetic medical procedure" means all  
32 amounts paid for services, property or occupancy required for or  
33 associated with the performance of a cosmetic medical procedure and  
34 billed to the procedure subject's account;

35 "Reconstructive surgery or dentistry" includes any surgery or  
36 dentistry performed on abnormal structures caused by or related to  
37 congenital defects, developmental abnormalities, trauma, infection,  
38 tumors or disease, including procedures to improve function or give  
39 a more normal appearance.

40 c. The Director of the Division of Taxation shall collect and  
41 administer the tax imposed pursuant to this section. In carrying out  
42 the provisions of this section, the director shall have all of the powers  
43 and authority granted in P.L.1966, c.30 (C.54:32B-1 et seq.). The tax  
44 shall be reported and paid to the director on a quarterly basis in a  
45 manner prescribed by the Director of the Division of Taxation.

46 d. The tax imposed pursuant to this section shall be governed by

1 the provisions of the State Uniform Tax Procedure Law, R.S.54:48-1  
2 et seq.

3 e. Notwithstanding any provision of P.L.1968, c.410 (C.52:14B-1  
4 et seq.) to the contrary, the director may adopt immediately upon filing  
5 with the Office of Administrative Law such regulations as the director  
6 deems necessary to implement the provisions of this act, which shall  
7 be effective for a period not to exceed 180 days following enactment  
8 of P.L. , c. (C. ) (now pending before the Legislature as this  
9 bill) and may thereafter be amended, adopted or readopted by the  
10 director in accordance with the requirements of P.L.1968, c.410.

11

12 2. This act shall take effect immediately but remain inoperative  
13 until the first day of the third month following enactment.

14

15

16

#### STATEMENT

17

18 This bill imposes a 6% gross receipts tax on certain cosmetic  
19 medical procedures.

20 The bill defines the taxable cosmetic medical procedures as any  
21 medical procedure performed on a individual which is directed at  
22 improving the procedure subject's appearance and which does not  
23 meaningfully promote the proper function of the body or prevent or  
24 treat illness or disease. That means that cosmetic medical procedure  
25 includes but is not limited to cosmetic surgery, hair transplants,  
26 cosmetic injections, cosmetic soft tissue fillers, dermabrasion and  
27 chemical peel, laser hair removal, laser skin resurfacing, laser  
28 treatment of leg veins, sclerotherapy, and cosmetic dentistry.

29 However, cosmetic medical procedures do not include  
30 reconstructive surgery or dentistry. The bill defines reconstructive  
31 surgery or dentistry to include any surgery or dentistry performed on  
32 abnormal structures caused by or related to congenital defects,  
33 developmental abnormalities, trauma, infection, tumors or disease,  
34 including procedures to improve function or give a more normal  
35 appearance.

36 The gross receipts tax will be paid by the subject of the cosmetic  
37 medical procedure, and will be collected from the procedure subject  
38 by the person billing the gross receipts from the cosmetic medical  
39 procedure when collecting the payment for the cosmetic medical  
40 procedure. The bill defines the gross receipts from a cosmetic medical  
41 procedure to mean all amounts paid for services, property or  
42 occupancy required for or associated with the performance of a  
43 cosmetic medical procedure and billed to the procedure subject's  
44 account. If more than one person bills gross receipts from a single  
45 cosmetic medical procedure, each person doing billing shall be  
46 responsible for the collection of the gross receipts tax on the portion



**A3125 CRYAN**

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1 of the gross receipts billed. That means, for example, that if the  
2 anesthesiologist, radiologist, testing services, and admissions service  
3 bill separately from the medical specialist directly performing the  
4 procedure, each must bill the procedure subject for the separate  
5 cosmetic medical procedure expenses it has charged.

# ASSEMBLY BUDGET COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 3125

# STATE OF NEW JERSEY

DATED: JUNE 22, 2004

The Assembly Budget Committee reports favorably Assembly Bill No. 3125.

Assembly Bill No. 3125 imposes a 6% gross receipts tax on certain cosmetic medical procedures.

The bill defines the taxable cosmetic medical procedures as any medical procedure performed on a individual which is directed at improving the procedure subject's appearance and which does not meaningfully promote the proper function of the body or prevent or treat illness or disease. That means that cosmetic medical procedure includes but is not limited to cosmetic surgery, hair transplants, cosmetic injections, cosmetic soft tissue fillers, dermabrasion and chemical peel, laser hair removal, laser skin resurfacing, laser treatment of leg veins, sclerotherapy, and cosmetic dentistry.

However, cosmetic medical procedures do not include reconstructive surgery or dentistry. The bill defines reconstructive surgery or dentistry to include any surgery or dentistry performed on abnormal structures caused by or related to congenital defects, developmental abnormalities, trauma, infection, tumors or disease, including procedures to improve function or give a more normal appearance.

The gross receipts tax will be paid by the subject of the cosmetic medical procedure, and will be collected from the procedure subject by the person billing the gross receipts from the cosmetic medical procedure when collecting the payment for the cosmetic medical procedure. The bill defines the gross receipts from a cosmetic medical procedure to mean all amounts paid for services, property or occupancy required for or associated with the performance of a cosmetic medical procedure and billed to the procedure subject's account. If more than one person bills gross receipts from a single cosmetic medical procedure, each person doing billing shall be responsible for the collection of the gross receipts tax on the portion of the gross receipts billed. That means, for example, that if the anesthesiologist, radiologist, testing services, and admissions service bill separately from the medical specialist directly performing the procedure, each must bill the procedure subject for the separate cosmetic medical procedure expenses it has charged.

FISCAL IMPACT:

This bill has been estimated to increase State revenues by \$26 million annually.

**SENATE, No. 1782**

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**STATE OF NEW JERSEY**  
**211th LEGISLATURE**

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INTRODUCED JUNE 21, 2004

**Sponsored by:**

**Senator WAYNE R. BRYANT**

**District 5 (Camden and Gloucester)**

**SYNOPSIS**

Imposes 6% gross receipts tax on certain cosmetic medical procedures.

**CURRENT VERSION OF TEXT**

As introduced.



S1782 BRYANT

2

1 AN ACT imposing a tax on certain cosmetic medical procedures,  
2 supplementing Title 54 of the Revised Statutes.

3

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

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41 administer the tax imposed pursuant to this section. In carrying out  
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46 d. The tax imposed pursuant to this section shall be governed by

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3 e. Notwithstanding any provision of P.L.1968, c.410 (C.52:14B-1  
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8 of P.L. , c. (C. ) (now pending before the Legislature as this  
9 bill) and may thereafter be amended, adopted or readopted by the  
10 director in accordance with the requirements of P.L.1968, c.410.

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12 2. This act shall take effect immediately but remain inoperative  
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#### STATEMENT

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**S1782 BRYANT**

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2 anesthesiologist, radiologist, testing services, and admissions service  
3 bill separately from the medical specialist directly performing the  
4 procedure, each must bill the procedure subject for the separate  
5 cosmetic medical procedure expenses it has charged.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### SENATE, No. 1782

# STATE OF NEW JERSEY

DATED: JUNE 22, 2004

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 1782.

This bill imposes a 6% gross receipts tax on certain cosmetic medical procedures.

The bill defines the taxable cosmetic medical procedures as any medical procedure performed on a individual which is directed at improving the procedure subject's appearance and which does not meaningfully promote the proper function of the body or prevent or treat illness or disease. That means that cosmetic medical procedure includes but is not limited to cosmetic surgery, hair transplants, cosmetic injections, cosmetic soft tissue fillers, dermabrasion and chemical peel, laser hair removal, laser skin resurfacing, laser treatment of leg veins, sclerotherapy, and cosmetic dentistry.

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The gross receipts tax will be paid by the subject of the cosmetic medical procedure, and will be collected from the procedure subject by the person billing the gross receipts from the cosmetic medical procedure when collecting the payment for the cosmetic medical procedure. The bill defines the gross receipts from a cosmetic medical procedure to mean all amounts paid for services, property or occupancy required for or associated with the performance of a cosmetic medical procedure and billed to the procedure subject's account. If more than one person bills gross receipts from a single cosmetic medical procedure, each person doing billing shall be responsible for the collection of the gross receipts tax on the portion of the gross receipts billed. That means, for example, that if the anesthesiologist, radiologist, testing services, and admissions service bill separately from the medical specialist directly performing the procedure, each must bill the procedure subject for the separate cosmetic medical procedure expenses it has charged.



FISCAL IMPACT

This bill has been estimated to increase State revenues by \$26 million annually.