

LEGISLATIVE HISTORY CHECKLIST
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(Taxpayer license information--
 licensing & contracting)

NJSA: 54:50-24

LAWS OF: 1995 **CHAPTER:** 158

BILL NO: A2896

SPONSOR(S): Lance

DATE INTRODUCED: May 22, 1995

COMMITTEE: **ASSEMBLY:** Appropriations
SENATE: Budget

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** June 12, 1995
SENATE: June 22, 1995

DATE OF APPROVAL: June 30, 1995

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes
SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

KBG:pp

P.L.1995, CHAPTER 158, *approved June 30, 1995*
1995 Assembly No. 2896

1 **AN ACT** requiring State agencies to obtain and furnish certain
2 information to the Division of Taxation for the purposes of
3 State tax administration, supplementing chapter 50 of Title 54
4 of the Revised Statutes.

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

8 1. As used in this act:

9 "License" means the whole or part of any State agency permit,
10 certificate, approval, registration, charter or similar form of
11 permission to engage in a profession, trade, business or
12 occupation and any notification required to be made to any State
13 agency that a profession, trade, business or occupation is being
14 engaged in or is expected to be commenced; provided however,
15 that "license" shall not include any original charter or certificate
16 of incorporation granted by any State agency;

17 "Person" means an individual, partnership, society, association,
18 joint stock company, corporation, estate, receiver, trustee,
19 assignee, referee, or any other entity acting in a fiduciary or
20 representative capacity, whether appointed by a court or
21 otherwise, or any entity that is a combination of the entities set
22 forth herein;

23 "S corporation" means a corporation included in the definition
24 of an "S corporation" pursuant to section 1361 of the federal
25 Internal Revenue Code of 1986, 26 U.S.C. §1361; and

26 "State agency" means the Judicial, Legislative or Executive
27 branch of the State of New Jersey, including but not limited to
28 any department, board, bureau, commission, division, office,
29 council, agency, or instrumentality thereof, or independent
30 agency, public authority or public benefit corporation.

31 2. Notwithstanding any other provision of law, each State
32 agency, as part of the procedure for granting, renewing,
33 amending, supplementing, or reinstating the license of any
34 person, or at the time the State agency contracts to purchase or
35 purchases goods or services or leases real or personal property
36 from any person, or contracts for the construction, alteration or
37 renovation of real property, including the construction or repair
38 of highways, roads, streets or similar projects, shall require each
39 person to provide to the State agency that person's federal social
40 security number or federal taxpayer identification number, or
41 both numbers when the person has both numbers, or, where the
42 person does not have a federal social security number or federal
43 taxpayer identification number, the reason why such person does
44 not have that number. The numbers or reasons shall be obtained
45 by such agency as part of the administration of the taxes

1 administered by the Director of the Division of Taxation for the
2 purpose of establishing the identification of persons affected by
3 such taxes.

4 Whenever a partnership or S corporation is under contract with
5 a State agency, the partnership or S corporation shall provide to
6 the State agency for each partner of the partnership or
7 shareholder of the S corporation the federal social security
8 number or federal taxpayer identification number, or both when
9 the partner or shareholder has both numbers, or, when the partner
10 or shareholder does not have either number, the reason or reasons
11 why the partner or shareholder does not either number. The
12 partnership or S corporation shall identify the share of ownership
13 attributable to each partner or shareholder whenever the
14 partnership or S corporation is required to furnish the federal
15 social security number of each partner or shareholder, or federal
16 taxpayer identification number of each partner or shareholder, or
17 both, if applicable under this section, or when the partner or
18 shareholder does not have either number.

19 3. a. Notwithstanding any other provision of law, a State
20 agency shall, upon request of the director, furnish the following
21 information with respect to each person covered by this act:

22 (1) business name or the name under which the applicant for a
23 license or licenses will be licensed or is licensed;

24 (2) business address or whatever type of address the State
25 agency requires from the applicant for a license or the licensee
26 to furnish to the agency; and

27 (3) federal social security number or federal taxpayer
28 identification number, or both numbers when the person has both
29 numbers, or the reason or reasons, furnished by the person, why
30 the person does not have either number.

31 b. The reports of information required under subsection a. of
32 this section shall be submitted on a compatible magnetic tape file
33 or in some other form which is mutually acceptable to the State
34 agency and the director.

35 4. Notwithstanding any other provision of law, the information
36 and report to be furnished by the State agency to the director
37 shall not constitute a public record under P.L.1963, c.73
38 (C.47:1A-1 et seq.), or any court decision and shall not otherwise
39 be open to the public for inspection. The information and report
40 furnished by any State agency under the provisions of this act
41 shall be a record or file subject to the provisions of R.S.54:50-8
42 and R.S.54:50-9.

43 5. This act shall take effect January 1, 1996.

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STATEMENT

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48 This bill requires State agencies to provide the Division of
49 Taxation in the Department of the Treasury with information
50 that will assist the State in collecting delinquent State taxes.
51 The federal social security number, federal taxpayer
52 identification number, and business names and addresses will be
53 provided to all State agencies from persons who obtain
54 professional, trade, business or occupational licenses from the

1 State and from State vendors and contractors at the time a State
2 agency contracts to purchase or purchases goods or services or
3 leases real or personal property from any person, or contracts for
4 the construction, alteration or renovation of real property,
5 including the construction or repair of highways, roads, streets or
6 similar projects.

7 This information furnished by all State agencies to the Division
8 of Taxation will not constitute a public record subject to public
9 inspection but will have the status of confidential information in
10 the taxpayer files of the Division of Taxation.

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15 Requires State agencies to obtain and furnish certain taxpayer
16 identification information to the Division of Taxation for
17 purposes of State tax administration.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2896

STATE OF NEW JERSEY

DATED: JUNE 1, 1995

The Assembly Appropriations Committee reports favorably Assembly Bill No. 2896.

Assembly Bill No. 2896 requires State agencies to provide the Division of Taxation in the Department of Treasury with information that will assist the State in collecting delinquent State taxes. The required information shall include the federal social security number, the federal taxpayer identification number, and business names and addresses. This information is to be provided to all State agencies from persons who obtain professional, trade, business or occupational licenses from the State and from State vendors and contractors at the time a State agency contracts to purchase or lease goods or services and real or personal property, or contracts for construction, alteration of real property including highways, roads and streets. This information being furnished to the Division of Taxation will not constitute a public record but will have confidential information status in the Division of Taxation's taxpayer files.

FISCAL IMPACT:

Neither the Division of Taxation nor the Department of Treasury has provided the Office of Legislative Services (OLS) with fiscal information needed to estimate the additional State revenue which may result from enactment of this bill. The department and the Governor's Office have informally estimated that enactment of this bill would result in additional State revenue in the range of \$1 million to \$2 million annually. The OLS does not have access to data that would permit verification or the accuracy of this estimate.

The OLS notes that this bill would enhance the Division of Taxation's revenue collection capacity in future audit and compliance projects.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2896

STATE OF NEW JERSEY

DATED: JUNE 19, 1995

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 2896.

Assembly Bill No. 2896 requires State agencies to provide the Division of Taxation in the Department of Treasury with information that will assist the State in collecting delinquent State taxes. The required information will include the federal social security number, the federal taxpayer identification number, and business names and addresses. This information is to be provided to all State agencies from persons who obtain professional, trade, business or occupational licenses from the State and from State vendors and contractors at the time a State agency contracts to purchase or lease goods or services and real or personal property, or contracts for construction, alteration of real property including highways, roads and streets. This information being furnished to the Division of Taxation will not constitute a public record but will have confidential information status in the Division of Taxation's taxpayer files.

As reported, this bill is identical to Senate Bill 2144 of 1995 (Inverso).

FISCAL IMPACT

Neither the Division of Taxation nor the Department of Treasury has provided the Office of Legislative Services (OLS) with fiscal information needed to estimate the additional State revenue which may result from enactment of this bill. The department and the Governor's Office have informally estimated that enactment of this bill would result in additional State revenue in the range of \$1 million to \$2 million annually. The OLS does not have access to data that would permit verification or the accuracy of this estimate.

The OLS notes that this bill would enhance the Division of Taxation's revenue collection capacity in future audit and compliance projects.