

54:32B- 8.28

LEGISLATIVE HISTORY CHECKLIST
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(Sales tax exemption)

NJSA: 54:32B-8.28

LAWS OF: 1991 CHAPTER: 497

BILL NO: A4697

SPONSOR(S): Doria, Kamin & Impreveduto

DATE INTRODUCED: December 2, 1991

COMMITTEE: ASSEMBLY: Appropriations
SENATE: _____

AMENDED DURING PASSAGE: Yes Amendments during passage
denoted by asterisks

DATE OF PASSAGE: ASSEMBLY: January 8, 1992
SENATE: January 9, 1992

DATE OF APPROVAL: January 18, 1992

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes
SENATE: No

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

KBG/pp

[FIRST REPRINT]
ASSEMBLY, No. 4697
STATE OF NEW JERSEY

INTRODUCED DECEMBER 2, 1991

By Assemblymen DORIA, KAMIN and Impreveduto

1 AN ACT concerning tax exemptions for receipts from the sales of
2 buses for public transportation and amending P.L.1980, c.105.

3

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

6 1. Section 40 of P.L.1980, c.105 (C.54:32B-8.28) is amended to
7 read:

8 40. Receipts from sales of buses for public passenger
9 transportation, including repair and replacement parts and labor
10 ¹[(when labor is performed by related or affiliated companies)]¹
11 therefor, to bus companies whose rates are regulated by the
12 Interstate Commerce Commission or the ¹[Board of [Public
13 Utilities] Regulatory Commissioners] Department of
14 Transportation¹ or to an affiliate of said bus companies or to
15 common or contract carriers for their use in the transportation of
16 children to and from school are exempt from the tax imposed
17 under the Sales and Use Tax Act. For the purposes of this section
18 "affiliate" means a corporation whose stock is wholly owned by
19 the regulated bus company or whose stock is wholly owned by the
20 same persons who own all the stock of the regulated bus company.
21 (cf: P.L.1980, c.105, s.40)

22 2. This act shall take effect immediately.

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STATE TAXATION

Includes performed labor in the tax exemption for receipts from
sales of buses for public passenger transportation.

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in the
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AAP committee amendments adopted January 6, 1992.

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17 purposes of this section "affiliate" means a corporation whose
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19 stock is wholly owned by the same persons who own all the stock
20 of the regulated bus company.

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23

24

25

STATEMENT

26

27 This bill amends the tax law provision exempting receipts from
28 sales of buses for public passenger transportation to include labor
29 performed by related or affiliated companies on these buses.
30 Current law exempts these receipts from the tax imposed under
31 the Sales and Use Tax Act, including repair and replacement
32 parts therefor.

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35

STATE TAXATION

36

37 Includes performed labor in the tax exemption for receipts from
38 sales of buses for public passenger transportation.

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ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4697

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 5, 1991

The Assembly Appropriations Committee reports favorably Assembly Bill No. 4697 with committee amendments.

Assembly Bill No. 4697, as amended, modifies the provision exempting from the sales and use tax act receipts from sales of buses for public passenger transportation to include the charges for labor performed during repair on these buses. Current law exempts these receipts from the tax imposed under the sales and use tax act, including repair and replacement parts thereof.

FISCAL IMPACT:

There is no specific data available to determine a potential loss of revenue.

COMMITTEE AMENDMENTS:

The amendment broadens the scope of the bill and makes a technical change to properly identify the agency responsible for rate regulation of bus companies.