

52:27H-80

LEGISLATIVE HISTORY CHECKLIST

NJSA: 52:27H-80 (Urban enterprise zones-- permit two filing dates)

CHAPTER 135

Laws Of: 1987

Bill No: A2550

Sponsor(s): Schwartz and Smith

Date Introduced: May 8, 1986

Committee: Assembly: Urban Policy and Waterfront

Senate: County and Municipal Government

Amended during passage: Yes Amendments during passage denoted by asterisks.

Date of Passage: Assembly: October 27, 1986

Senate: April 23, 1986

Date of Approval: June 3, 1987

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

[OFFICIAL COPY REPRINT]

ASSEMBLY, No. 2550

STATE OF NEW JERSEY

INTRODUCED MAY 8, 1986

By Assemblymen SCHWARTZ and SMITH

AN ACT concerning the filing of certain applications by enterprise zone businesses and amending P. L. 1983, c. 303.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. Section 21 of P. L. 1983, c. 303 (C. 52:27H-80) is amended to
2 read as follows:

3 21. Receipts of retail sales, except retail sales of motor vehicles
4 and of manufacturing machinery, equipment or apparatus, made
5 by a certified vendor from a place of business owned or leased and
6 regularly operated by the vendor for the purpose of making retail
7 sales, and located in a designated enterprise zone established pur-
8 suant to the "New Jersey Urban Enterprise Zones Act," P. L.
9 1983, c. 303 (C. 52:27H-60 et seq.), are exempt to the extent of 50%
10 of the tax imposed under the "Sales and Use Tax Act," P. L. 1966,
11 c. 30 (C. 54:32B-1 et seq.).

12 Any vendor, which is a qualified business having a place of
13 business located in a designated enterprise zone, may apply,
14 on or before October 1 of the pretax year *or on or before April 1*
15 *of the tax year*, to the Director of the Division of Taxation in the
16 Department of the Treasury for certification pursuant to this sec-
17 tion. The director shall certify a vendor if he shall find that the
18 vendor owns or leases and regularly operates a place of business
19 located in the designated enterprise zone for the purpose of making
20 retail sales, that items are regularly exhibited and offered for re-
21 tail sale at that location, and that the place of business is not
22 utilized primarily for the purpose of catalogue or mail order sales.
23 Any certification **[so]** issued *for an application received on or*

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 printed in italics *thus* is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

*—Assembly committee amendments adopted October 2, 1986.

24 *before October 1 shall be for a one year period [of a 20 year enter-*
 25 *prise zone designation period, and] beginning the following Janu-*
 26 *ary 1 and any certification issued for an application received on or*
 27 *before April 1 shall be for a six month period beginning July 1 of*
 28 *that same year. Any certification may be renewed annually by the*
 29 *director upon reapplication of the vendor. [A certification made*
 30 *pursuant to this section shall apply to the next full calendar year*
 31 *following certification.] The director may at any time revoke a*
 32 *certification granted pursuant to this section if he shall determine*
 33 *that the vendor no longer complies with the provisions of this*
 34 *section.*

35 Notwithstanding the provisions of this act to the contrary, this
 36 section shall apply to two of the first five enterprise zones desig-
 37 nated under the provisions of this act, and to no more than four
 38 of all zones so designated. Notwithstanding any other provisions of
 39 law to the contrary, all revenues received from the taxation of
 40 retail sales made by certified vendors from business locations
 41 in designated enterprise zones to which this exemption shall apply,
 42 shall be deposited immediately upon collection by the Department
 43 of the Treasury, as follows:

44 a. In the first five year period of the enterprise zone designation,
 45 all such revenues shall be deposited in the enterprise zone assis-
 46 tance fund created pursuant to section 29 of this act;

47 b. In the second five year period of the enterprise zone designa-
 48 tion, 66 $\frac{2}{3}$ % of all those revenues shall be deposited in the enter-
 49 prise zone assistance fund, and 33 $\frac{1}{3}$ % shall be deposited in the
 50 General Fund;

51 c. In the third five year period of the enterprise zone designa-
 52 tion, 33 $\frac{1}{3}$ % of all those revenues shall be deposited in the enter-
 53 prise zone assistance fund, and 66 $\frac{2}{3}$ % shall be deposited in the
 54 General Fund;

55 d. In the final five year period of the enterprise zone designation,
 56 all those revenues shall be deposited in the General Fund.

57 The revenues required to be deposited in the enterprise zone
 58 assistance fund under this section shall be used for the purposes of
 59 that fund and for the uses prescribed in section 29 of this act,
 60 subject to annual appropriations being made for those purposes
 61 and uses.

1 ***[2.** (New section) For calendar year 1986 only, an application
 2 for certification pursuant to section 21 of P. L. 1983, c. 303 (C.
 3 52:27H-80) may be made to the director on or before August 1,
 4 1986 for an effective date not earlier than November 1, 1986 and
 5 ending December 31, 1986.]*

1 ***[3.]*** *2.* This act shall take effect immediately.

COMMUNITY DEVELOPMENT

Permits two filing dates for certain applications by urban enterprise zone businesses.

STATEMENT

This bill permits two dates by which qualified enterprise zone businesses may apply to the Director of the Division of Taxation in the Department of the Treasury for certification to provide the 3% sales tax exemption permitted pursuant to P. L. 1983, c. 303 (C. 52:27H-60 et seq.). Currently, qualified businesses must apply by October 1 in order to provide the exemption for the following year. This bill permits businesses to also apply by April 1 in order to provide the exemption for the last six months of the calendar year.

In addition, the bill permits qualified businesses in 1986 only to apply by August 1, 1986 so that the businesses may provide the exemption for the last two months of 1986.

COMMUNITY DEVELOPMENT

Permits two filing dates for certain applications by urban enterprise zone businesses.

ASSEMBLY URBAN POLICY AND WATERFRONT
DEVELOPMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2550

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 2, 1986

The Assembly Urban Policy and Waterfront Development Committee reports favorably Assembly Bill No. 2550, as amended.

Assembly Bill No. 2550 provides a second application period during which businesses may apply for the 3% sales tax exemption permitted pursuant to P. L. 1983, c. 303 (C. 52:27H-60 et seq.).

Pursuant to section 21 of P. L. 1983, c. 303 (C. 52:27H-80), a qualified enterprise zone business which wishes to receive the 3% sales tax exemption must apply to the Director of the Division of Taxation for certification on or before October 1 of the pretax year. A certification applies in the next full calendar year following certification.

Assembly Bill No. 2550 establishes a second certification application deadline of April 1. The bill also provides that the certification period shall begin January 1 following submission of an application by the October 1 deadline, and July 1 following the submission of an application by the April 1 deadline. Certification issued in connection with the July 1 deadline is to be for a period of six months.

SENATE COUNTY AND MUNICIPAL GOVERNMENT
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 2550

[OFFICIAL COPY REPRINT]

STATE OF NEW JERSEY

DATED: FEBRUARY 19, 1987

The Senate County and Municipal Government Committee reports favorably Assembly Bill No. 2550 OCR.

Assembly Bill No. 2550 OCR provides a second application period during which businesses may apply for the 3% sales tax exemption permitted pursuant to P. L. 1983, c. 303 (C. 52:27H-60 et seq.).

Pursuant to section 21 of P. L. 1983, c. 303 (C. 52:27H-80), a qualified enterprise zone business which wishes to receive the 3% sales tax exemption must apply to the Director of the Division of Taxation for certification on or before October 1 of the pretax year. A certification applies in the next full calendar year following certification.

Assembly Bill No. 2550 OCR establishes a second certification application deadline of April 1. The bill also provides that the certification period shall begin January 1 following submission of an application by the October 1 deadline. Certification issued in connection with the July 1 deadline is to be for a period of six months.

A-2550, sponsored by Assemblyman David Schwartz, D-Middlesex and Assemblyman Robert Smith, D-Middlesex, amends the Urban Enterprise Zone Act to allow a qualified urban enterprise zone business that wishes to receive the 3 percent sales tax exemption to apply for certification on April 1 of the tax year. The certification would be effective for a six month period beginning July 1 of that year. Currently, businesses must apply for certification for the sales tax exemption on October 1 of the pre-tax year.

For merchants recently locating in one of the five zones offering the sales tax exemption this bill provides an additional opportunity to file and receive certification for at least one half of the year without undue delay.

The legislation is effective immediately.

A-3311, sponsored by Assemblyman Nicholas Felice, R-Bergen and Assemblywoman Elizabeth Randall, R-Bergen, appropriates \$30,000 to provide funds for completing the restoration of the Cadmus House in the Borough of Fair Lawn.

The Cadmus House is an early 18th century Dutch House which is listed on the New Jersey and National Registers of Historic Places and serves as a museum for the Borough of Fair Lawn.

The legislation is effective immediately.

A-3499, sponsored by Assemblyman Pat Schuber, R-Bergen and Assemblyman Paul DiGaetano, R-Passaic makes various technical amendments to the law creating a minority and women business set-aside program for casino licensees.

The law creating the set aside will take effect later this year after the adoption of regulations by the Division of Development for Small, Minority and Women Businesses in the Department of Commerce.

-more-