54:30A-18.4 and 54:30A-18.5

LEGISLATIVE HISTORY CHECKLIST

(Public utilities - Excise tax -- pay on more current basis)

NJSA 54:30A-18.4 and 54:30A-18.5

LAWS OF 1979 CHAPTER 35

Bill No. S3087

Sponsor(s) Gregorio, Rodgers and Merlino

Date Introduced February 13, 1979

Committee: Assembly Taxation

Senate Revenue, Finance & Appropriations

Amended during passage Yes XX

Amendments during passage denoted by asterisks. Substituted for A3133 (not attached since identical to S3087)

Date of Passage: Assembly February 26, 1979

Senate February 20, 1979

Date of approval March 2, 1979

Following statements are attached if available:

Sponsor statement		Yes	XX
Committee Statement:	Assembly	XXX	No
	Senate	Yes	XX
Fiscal Note		XXX	No
Veto Message		XXX	No
Message on signing		Yes	XX
Following were printed:			
Reports		XXX	No
Hearings		XXX	No

Companion bill mentioned in Sponsor's statement is : S3088 (L.1979, c.36).

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SENATE, No. 3087

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 13, 1979

By Senators GREGORIO, RODGERS and MERLINO

Referred to Committee on Revenue, Finance and Appropriations

AN ACT concerning the taxation of certain public utilities and supplementing P. L. 1940, c. 4 (C. 54:30A–16 et seq.).

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

1. a. On or before April 1, 1979 and before May 1 in each year thereafter, the director shall compute an advance payment equal in amount to *[one-half]* **55%* of the increase in taxes due under subsection (a) of section 3 of P. L. 1940, c. 4 (C. 54:30–18(a)) during the preceding calendar year over the taxes due under such subsection in the calendar year immediately preceding that year. The advance payment shall not be considered for the purpose of determining the amount of the increase. Each such payment shall be in addition to the taxes payable under subsections (a) and (b) of section 3 of P. L. 1940, c. 4 (C. 54:30A–18(a) and 54:30A–18(b)) and section 2 of P. L. 1971, c. 109 (C. 54:30A–18.1a) and shall be considered as a partial payment of the tax to become due and payable in the following year.

b. Every taxpayer subject to tax under the act to which this act is a supplement shall be required to remit to the State for the use of the State as an advance payment, an amount equal to the amount as computed in subsection a. of this section payable in two installments as follows: 60% on May 1, 1979 and 40% on August 1, 1979.

c. In the year 1980 and in each year thereafter an advance payment pursuant to subsection a. of this section shall be paid by every taxpayer to the appropriate municipalities in the manner provided for by law for payment of the taxes due under subsection (a) of section 3 of P. L. 1940, c. 4 (C. 54:30A–18(a)).

2. In the calculation of the tax due in accordance with subsection

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

(a) of section 3 of P. L. 1940, c. 4 (C. 54:30A-18(a)) in the year 1980 and in each year thereafter, every person, copartnership, association or corporation subject to tax hereunder shall be entitled to a credit in the amount of the tax hereunder as a partial payment in the preceding year and shall be entitled to the return of any amount so paid which shall be found to be in excess of the total amount payable in accordance with P. L. 1940, c. 4 and this act.

3. This act shall take effect immediately.

association or corporation subject to tax hereunder shall be entitled to a credit in the amount of the tax hereunder as a partial payment in the preceding year and shall be entitled to the return of any amount so paid which shall be found to be in excess of the total amount payable in accordance with P. L. 1940, c. 4 and this act.

3. This act shall take effect immediately.

STATEMENT

This bill would require public utilities companies to pay their public utility excise taxes on a more current basis. The bill would require such companies to pay 50% of the growth in taxes as an advance payment and to receive credit therefor in the ensuing calendar year.

Under present law, public utility companies receive payment for utility services in the calendar year immediately preceding the year of payment. This bill would accelerate to some extent the payment of the taxes which presumably are received from their consumers. The advance payment would accrue to the State for State use in calendar 1979. Thereafter, the municipalities would receive such advances.

A companion bill relates to public utilities taxed under P. L. 1940, c. 5.

S3087 (1979)

SENATE REVENUE, FINANCE AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 3087

STATE OF NEW JERSEY

DATED: FEBRUARY 13, 1979

This bill would require public utilities companies to pay their public utility excise taxes on a more current basis. The bill would require such companies to pay 50% of the gorwth in taxes as an advance payment and to receive credit therefor in the ensuing calendar year.

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FROM THE OFFICE OF THE GOVERNOR

MARCH 2, 1979

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

PAT SWEENEY

Governor Brendan Byrne today signed a legislative package providing $22,369,000 in one-time assistance to help municipalities absorb the loss of federal anti-recession funds.

The legislation was signed in the Governor's Office during a public ceremony attended by State Senators, Assemblymen and Mayors.

The package of legislation, S-3086, S-3087 and S-3088, will grant supplemental aid to 539 municipalities on the basis of a formula that includes population, property tax base and the local unemployment rate. In the Senate, sponsors include David Friedland (D-Hudson), Senate President Joseph P. Merlino (D-Mercer), John T. Gregorio (D-Union), Frank X. Graves, Jr. (D-Passaic), Wynona M. Lipman (D-Essex) and Angelo J. Errichetti (D-Camden). In the Assembly, sponsors include George Otlowski (D-Middlesex), Thomas J. Deverin (D-Middlesex), Raymond Lesniak (D-Union) and Assembly Speaker Christopher J. Jackman (D-Hudson).

The funds will be generated from an advance payment by utility companies of the utility gross receipts tax, which the companies already have collected from ratepayers but not yet distributed to municipalities.

By shortening the time between the utilities' collection of the tax and the distribution to municipalities, a one-time additional sum of $22,369,000 is created for this year.

The measure does not change the permanent distribution of the utility gross receipts tax nor the normal increase in the tax distribution from year to year.

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