

54:29A-24.3

LEGISLATIVE HISTORY CHECKLIST

(Railroads - Taxation of real property withdrawn from rail use--reduction not effective for 2 years from date of withdrawal)

HJSA 54:29A-24.3

LAWS OF 1977

CHAPTER 283

Bill No. A3138

Sponsor(s) Jackman

Date Introduced February 17, 1977

Committee: Assembly Taxation

Senate Revenue, Finance & Appropriations

Amended during passage Yes

Amendments during passage denoted by asterisks

Date of Passage: Assembly May 9, 1977

Senate June 27, 1977

Date of approval November 2, 1977

Following statements are attached if available:

Sponsor statement Yes (Below)

Committee Statement: Assembly No

Senate Yes

Fiscal Note No

Veto Message No

Message on signing Yes

Following were printed:

Reports No

Hearings No

Sponsor's Statement:

This bill would hold harmless municipalities receiving State aid under the "Railroad Tax Law of 1948" for a period of 2 years after the Director of the Division of Taxation notifies the municipality that property has been withdrawn from railroad use, or until the property is sold or conveyed, whichever comes sooner.

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OFFICE OF THE CLERK OF THE SENATE
STATE OF MICHIGAN
LANSING, MICHIGAN

11/2/77

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ASSEMBLY, No. 3138

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 17, 1977

By Assemblyman JACKMAN

Referred to Committee on Taxation

AN ACT concerning the taxation of real property withdrawn from railroad use in municipalities of this State, and amending P. L. 1966, c. 139.

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

1 1. Section 21 of P. L. 1966, c. 139 (C. 54:29A-24.3) is amended
2 to read as follows:

3 21. State aid shall be appropriated and paid annually to each
4 municipality in which railroad property is located in an amount
5 equal to base tax revenue, subject to the following adjustments,
6 except that no State aid shall be appropriated or paid to any
7 municipality where the base tax revenue, as adjusted, is less than
8 \$1,000.00:

9 (a) If additional Class II property, as defined in this act, in a
10 municipality is placed in railroad use after the base year, the base
11 tax revenue shall be increased by an amount equal to the product
12 of the assessed value of such additional property as of the base
13 year times the base tax rate.

14 (b) If any real property in a municipality is withdrawn from
15 railroad use after the base year, the base tax revenue shall be re-
16 duced by an amount equal to the product of the assessed value of
17 such property in the base year times the base tax rate; *provided,*
18 *however, that such reduction shall not become effective for 2 *tax**
19 *years ***[after]*** *following the year of* the initial notification to*
20 *the municipality by the Director of the Division of Taxation that*
21 *such real property is withdrawn from railroad use, or until such*
22 *property is sold or conveyed for other than railroad use, which-*
23 *ever comes sooner, during which time such property shall remain*
24 *taxable under the act to which this act is amendatory.*

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

25 (c) For the year 1967 the amount of State aid payable to each
26 municipality shall be increased by an amount equal to the differ-
27 ence between the railroad tax revenue derived by such municipality
28 for the year 1965 and the base tax revenue for such municipality.
29 For each year thereafter, such increase shall be reduced by 10%
30 until such time as the aforesaid difference is eliminated; provided,
31 however, if any real property in a municipality is placed in or
32 withdrawn from railroad use after 1967, the annual increase pro-
33 vided in this subsection (c) shall be adjusted to reflect any such
34 additions or withdrawals.

35 (d) The authorities of any taxing district desiring to contest
36 the validity or amount of the assessment on any such additions
37 or withdrawals may appeal to the Division of Tax Appeals in the
38 manner provided in sections 31 and 32 of the act of which this act
39 is amendatory and supplementary.

1 2. This act shall take effect immediately and shall be retro-
2 active to January 1, 1977.

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SENATE REVENUE, FINANCE AND
APPROPRIATIONS COMMITTEE

STATEMENT TO
ASSEMBLY, No. 3138

STATE OF NEW JERSEY

DATED: JUNE 16, 1977

PROVISIONS:

This bill would hold harmless municipalities receiving State aid under the "Railroad Tax Law of 1948" for a period of 2 years following the notice to the municipality from the Director of the Division of Taxation that property has been withdrawn.

FISCAL IMPACT:

This bill would not impose an additional cost on State government. The State would, without the bill, release some degree of cost-savings. This would be at the cost of the municipality involved, however, and could be substantial depending on the municipality involved. The cost savings would still be realized by State government after the 2-year hold harmless period.

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FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

FOR FUTHER INFORMATION

NOVEMBER 2, 1977

CONTACT: JIM STABILE

Governor Brendan Byrne today signed A-3138, sponsored by Assemblyman Christopher Jackman (D-Hudson) at the PATH Terminal in Hoboken.

This measure will provide state aid to municipalities for tax revenues formerly received from railroad properties for two tax years following the notice to the municipality that property has been withdrawn from railroad use. Municipalities will be notified by the Division of Taxation.

The Act takes effect immediately and is retroactive to January 1, 1977, with payments to be made December 10.

The budget for the current fiscal year appropriates \$7,725,663 for these state aid payments to 85 municipalities.

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185 W. STATE STREET
TRENTON, N.J.

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