

54:49-3 et al

LEGISLATIVE HISTORY CHECKLIST

(Increases penalties and interest to be assessed in conjunction with the administration and enforcement of certain tax laws)

HJSA 54:49-3 et al.

LAWS OF 1975

CHAPTER 177

Bill No. A3626

Sponsor(s) Woodson and others

Date Introduced July 30, 1975

Committee: Assembly -----

Senate -----

Amended during passage XXX No Substituted for S3170 (OCR)

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Following statements are attached if available:

Sponsor statement	XXX	No
Committee Statement: Assembly	XXX	No
Senate	XXX	No
Fiscal Note	XXX	No
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Message on signing	Yes	XX

Following were printed:

Reports	XXX	No
Hearings	XXX	No

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# STATE OF NEW JERSEY

INTRODUCED JULY 30, 1975

By Assemblymen WOODSON, KLEIN, HAMILTON and BARBOUR

(Without Reference)

AN ACT concerning taxation with respect to penalties and interest to be assessed in conjunction with the administration and enforcement of certain State tax laws and revising portions of the statutory law.

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

1 1. R. S. 54:49-3 is amended to read as follows:

2 54:49-3. Any taxpayer who shall fail to pay any State tax on  
3 or before the day when the same shall be required by law to be  
4 paid shall pay in addition to the tax, unless otherwise provided  
5 in the law imposing such tax, interest on said tax at the rate of  
6 **[1%]** 1 1/2% for each month or fraction thereof that the same  
7 remains unpaid, to be calculated from the date the tax was origi-  
8 nally due until the date of actual payment. *In addition thereto,*  
9 *if the director is empowered by the law imposing such tax to grant*  
10 *an extension of time in which the tax shall be paid, the taxpayer*  
11 *shall be liable for the payment of interest on the unpaid tax at*  
12 *the rate of 9% per annum from the date that such tax was origi-*  
13 *nally due to the date of actual payment; provided that if such*  
14 *unpaid tax is not paid within the time fixed under the extension,*  
15 *the interest on such unpaid tax shall be computed at the rate of*  
16 *1 1/2% per month or fraction thereof from the date the tax was*  
17 *originally due to the date of payment.*

1 2. R. S. 54:49-4 is amended to read as follows:

2 54:49-4. In addition thereto **[such taxpayer shall pay any**  
3 **special penalty or penalties provided by the law imposing such**  
4 **tax]** *any taxpayer failing to file a return with the director within*  
5 *the time prescribed under the act imposing such tax shall be liable*  
6 *to a late filing penalty of \$2.00 for each day that such return is*

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

7 delinquent, plus a penalty of 5% per month or fraction thereof of  
 8 the total tax liability not to exceed 25% of such tax liability. If  
 9 any tax be not paid within the time prescribed under the act impos-  
 10 ing such tax, there shall be added to the amount of the tax a sum  
 11 equivalent to 5% thereof, as a penalty.

1 3. R. S. 54:49-6 is amended to read as follows:

2 54:49-6. After a report is filed under the provisions of any State  
 3 tax law, the commissioner shall cause the same to be examined  
 4 and may make such further audit or investigation as he may deem  
 5 necessary, and if therefrom he shall determine that there is a  
 6 deficiency with respect to the payment of any tax due under such  
 7 law, he shall assess the additional taxes, penalties of 5% of the tax,  
 8 and interest at the rate of 1 1/2% per month or fraction thereof  
 9 from the date the tax was originally due to the date of payment,  
 10 due the State from such taxpayer, give notice of such assessment  
 11 to the taxpayer, and make demand upon him for payment.

1 4. R. S. 54:49-8 is amended to read as follows:

2 54:49-8. All taxes, penalties and interest assessed pursuant to  
 3 the provisions of sections 54:4-5 **[to]** and 54:49-7 of this Title,  
 4 unless earlier payment is provided by law, shall be paid within 15  
 5 days after notice and demand shall have been mailed to the tax-  
 6 payer by the commissioner.

1 5. R. S. 54:49-9 is amended to read as follows:

2 54:49-9. If such taxes, penalties and interest so assessed pur-  
 3 suant to sections 54:49-5 **[to]** and 54:49-7 of this Title shall not  
 4 be paid within the said ~~15~~ days, there shall be added to the amount  
 5 of assessment, in addition to interest as already provided and any  
 6 other penalties provided by law, a sum equivalent to 5% of the tax.

1 6. R. S. 54:49-11 is amended to read as follows:

2 54:49-11. If the failure to pay any such tax when due is explained  
 3 to the satisfaction of the commissioner, he may remit or waive the  
 4 payment of the whole or any part of any penalty, and may remit or  
 5 waive the payment of any interest charge in excess of the rate of  
 6 **[1/2]** 3/4 of 1% per month.

1 7. Section 53 of P. L. 1961, c. 32 (C. 54:8A-53) is amended to  
 2 read as follows:

3 53. Any taxpayer who shall fail to file his return when due **[shall]**  
 4 be liable to a penalty of \$2.00 for each day of delinquency, which  
 5 penalty shall be payable to, and recoverable by, the Division of  
 6 Taxation as a part of the tax herein imposed. **If]** or to pay any  
 7 tax **[be not paid]** when the same becomes due, as herein provided,

8 [there shall be added to the amount of the tax a sum equivalent  
9 to 5% thereof, as a penalty, and, in addition thereto, interest at  
10 the rate of 1% per month or fraction thereof from the date the  
11 tax became due until the same be paid.] *shall be subject to such*  
12 *penalties and interest as provided in the State Tax Uniform Pro-*  
13 *cedure Law, subtitle 9 of Title 54 of the Revised Statutes.* If the  
14 Division of Taxation determines that the failure to comply with  
15 any provision of this act was excusable under the circumstances,  
16 it may abate or remit such part or all of the penalty as shall be  
17 appropriate under such circumstances.

18 With respect to taxes paid not later than October 1, 1962, the  
19 Division of Taxation may also abate or remit such part or all of the  
20 interest as shall be appropriate under such circumstances.

1 8. Section 48 of P. L. 1971, c. 222 (C. 54:8A-105) is amended to  
2 read as follows:

3 48. Penalties; interest; abatement or remission. Any taxpayer  
4 who shall fail to file his return when due [shall be liable to a penalty  
5 of \$2.00 for each day of delinquency, which penalty shall be payable  
6 to, and recoverable by, the Division of Taxation as a part of the tax  
7 herein imposed. If] *or to pay any tax [be not paid]* when the  
8 same becomes due, as herein provided, [there shall be added to  
9 the amount of the tax a sum equivalent to 5% thereof, as a penalty,  
10 and, in addition thereto, interest at the rate of 1% per month or  
11 fraction thereof from the date the tax became due until the same  
12 be paid] *shall be subject to such penalties and interest as provided*  
13 *in the State Tax Uniform Procedure Law, subtitle 9 of Title 54 of*  
14 *the Revised Statutes.* If the Division of Taxation determines that  
15 the failure to comply with any provision of this act was excusable  
16 under the circumstances, it may abate or remit such part or all of  
17 the penalty as shall be appropriate under such circumstances.

1 9. Section 17 of P. L. 1945, c. 162 (C. 54:10A-17) is amended to  
2 read as follows:

3 17. (a) If the period covered by the report under this act is other  
4 than the period covered by the report to the United States Treasury  
5 Department or is a period of less than 12 calendar months, the  
6 commissioner may, under regulations prescribed by him, determine  
7 the entire net worth and entire net income of the taxpayer in such  
8 manner as shall properly reflect its entire net worth and entire net  
9 income for the period covered by its report under this act.

10 (b) Any taxpayer which shall fail to file its return when due  
11 [shall be liable to a penalty of \$2.00 for each day of delinquency,  
12 which penalty shall be payable to, and recoverable by, the com-

13 missioner as a part of the tax herein imposed. If **or to pay** any  
 14 tax **be not paid** when the same becomes due, as herein provided,  
 15 **there shall be added to the amount of the tax a sum equivalent**  
 16 to 5% thereof, as a penalty, and, in addition thereto, interest at  
 17 the rate of 1% per month or fraction thereof from the date the  
 18 tax became due until the same be paid. **shall be subject to such**  
 19 *penalties and interest as provided in the State Tax Uniform Pro-*  
 20 *cedure Law, subtitle 9 of Title 54 of the Revised Statutes.* The  
 21 commissioner, if satisfied that the failure to comply with any pro-  
 22 vision of this act was excusable, may abate or remit the whole or  
 23 part of any penalty.

1 10. Section 19 of P. L. 1945, c. 162 (C. 54:10A-19) is amended to  
 2 read as follows:

3 19. The commissioner may grant a reasonable extension of time  
 4 for the filing of returns or the payment of tax or both, under such  
 5 rules and regulations as he shall prescribe, which rules and regula-  
 6 tions may require the filing of a tentative return and the payment  
 7 of an estimated tax. If the time for filing the return shall be  
 8 extended, the payment of the portion of the tax remaining to be  
 9 paid, if any, shall be postponed to the date fixed by the extension  
 10 of the time for the filing of the return, but in every such case the  
 11 corporation shall pay, in addition to the unpaid portion of the tax,  
 12 interest thereon at the rate **of 6% per annum** *as provided in the*  
 13 *State Tax Uniform Procedure Law, subtitle 9 of Title 54 of the*  
 14 *Revised Statutes*, from the time when the return originally was  
 15 required to be filed to the date of actual payment under the ex-  
 16 tension; provided, that if such unpaid portion of the tax is not  
 17 paid within the time fixed under the extension, the interest on such  
 18 unpaid portion shall be computed at the rate **of 1% per month**  
 19 **or fraction thereof to be calculated** *as provided in the State Tax*  
 20 *Uniform Procedure Law, subtitle 9 of Title 54 of the Revised*  
 21 *Statutes*, from the date the tax was originally due to the date of  
 22 actual payment.

1 11. Section 10 of P. L. 1947, c. 50 (C. 54:10A-19.1) is amended to  
 2 read as follows:

3 10. (a) After a final return in due form is filed, the commis-  
 4 sioner shall cause the same to be examined and may make such  
 5 further audit or investigation or reaudit as he may deem necessary,  
 6 and if therefrom he shall determine that there is a deficiency with  
 7 respect to the payment of any tax due under this act, he shall  
 8 assess or reassess the additional taxes, penalties and interest due  
 9 the State, give notice of such assessment or reassessment to the

10 taxpayer, and make demand upon him for payment. There shall  
 11 be added to the amount of any deficiency assessment or reassess-  
 12 ment interest at the rate [of 1% for each month or fraction thereof  
 13 to be calculated from the date the tax was originally due and pay-  
 14 able until the date of actual payment.] *as provided in the State*  
 15 *Tax Uniform Procedure Law, subtitle 9 of Title 54 of the Revised*  
 16 *Statutes.* If the commissioner is satisfied that the said deficiency  
 17 was not due to fraud or evasion, he may remit or waive the pay-  
 18 ment of any interest charge [in excess of the rate of  $\frac{1}{2}$  of 1%  
 19 per month] *as provided in the State Tax Uniform Procedure Law,*  
 20 *subtitle 9 of Title 54 of the Revised Statutes.*

21 (b) Except in the case of a willfully false or fraudulent return  
 22 with intent to evade the tax, no assessment of additional tax shall  
 23 be made after the expiration of more than 5 years from the date  
 24 of the filing of a return; provided, that where no return has been  
 25 filed as provided by law, the tax may be assessed at any time.  
 26 Where, before the expiration of the period prescribed herein for  
 27 the assessment of an additional tax, a taxpayer has consented in  
 28 writing that such period may be extended, the amount of such  
 29 additional tax due may be determined at any time within such  
 30 extended period. The period so extended may be further extended  
 31 by subsequent consents in writing made before the expiration of  
 32 the extended period.

33 (c) The director is authorized to enter into a written agreement  
 34 with any taxpayer relating to the liability of such taxpayer in  
 35 respect of any tax, fee, penalty or interest heretofore or hereafter  
 36 imposed by this act, which agreement shall be final and conclusive,  
 37 and except upon a showing of fraud, malfeasance, or misrepresen-  
 38 tation of a material fact:

39 (a) the case shall not be reopened as to the matters agreed  
 40 upon or the agreement modified, by any officer, employee, or  
 41 agent of this State, and

42 (b) in any suit, action, or proceeding, such agreement, or any  
 43 determination, assessment, collection, payment, cancellation, refund  
 44 or credit made in accordance therewith, shall not be annulled, modi-  
 45 fied, set aside or disregarded.

1 12. Section 15 of P. L. 1946, c. 174 (C. 54:10B-15) is amended to  
 2 read as follows:

3 15. The director may grant a reasonable extension of time for  
 4 the filing of returns or the payment of tax, or both, under such  
 5 conditions, rules and regulations as he shall prescribe, but no such

6 extension shall be granted beyond December 1 of the year in which  
7 the tax is due. If the time for filing the return shall be extended,  
8 the payment of the tax shall be postponed to the date fixed by  
9 the extension of the time for the filing of the return, but in every  
10 such case the taxpayer shall pay, in addition to the tax, interest  
11 thereon at the rate [of 6% per annum] as provided in the State  
12 Tax Uniform Procedure Law, subtitle 9 of Title 54 of the Revised  
13 Statutes, from the time when the return originally was required  
14 to be filed to the time of payment under the extension.

1 13. Section 5 of P. L. 1973, c. 31 (C. 54:10D-5) is amended to  
2 read as follows:

3 5. Extension of time; interest. The director may grant a reason-  
4 able extension of time for the filing of the returns or the payment  
5 of tax, or both, under such rules and regulations as he shall pre-  
6 scribe, which rules and regulations may require the filing of a  
7 tentative return and the payment of an estimated tax. If the time  
8 for filing the return shall be extended, the payment of the portion  
9 of the tax remaining to be paid, if any, shall be postponed to the  
10 date fixed by the extension of the time for the filing of the return,  
11 but in every such case the taxpayer shall pay, in addition to the  
12 unpaid portion of the tax, interest thereon at the rate [of 6% per  
13 annum] as provided in the State Tax Uniform Procedure Law,  
14 subtitle 9 of Title 54 of the Revised Statutes, from the time when  
15 the return originally was required to be filed to the date of actual  
16 payment under the extension; provided, that if such unpaid portion  
17 of the tax is not paid within the time fixed under the extension,  
18 the interest on such unpaid portion shall be computed at the rate  
19 [of 1% per month or fraction thereof to be calculated] as provided  
20 in the State Tax Uniform Procedure Law, subtitle 9 of Title 54 of  
21 the Revised Statutes, from the date the tax was originally due to  
22 the date of actual payment.

1 14. Section 16 of P. L. 1973, c. 31 (C. 54:10D-16) is amended to  
2 read as follows:

3 16. Deficiency assessment or reassessment; extension of period.  
4 a. After a final return in due form is filed, the director shall cause  
5 the same to be examined and may make such further audit or  
6 investigation or reaudit as he may deem necessary, and if there-  
7 from he shall determine that there is a deficiency with respect  
8 to the payment of any tax due under this act, he shall assess or  
9 reassess the additional taxes, penalties and interest due the State,  
10 give notice of such assessment or reassessment to the taxpayer,

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11 and make demand upon him for payment. There shall be added  
12 to the amount of any deficiency assessment or reassessment interest  
13 at the rate [of 1% for each month or fraction thereof to be  
14 calculated from the date the tax was originally due and payable  
15 until the date of actual payment] *as provided in the State Tax*  
16 *Uniform Procedure Law, subtitle 9 of Title 54 of the Revised*  
17 *Statutes*. If the director is satisfied that the said deficiency was  
18 not due to fraud or evasion, he may remit or waive the payment  
19 of any interest charge [in excess of the rate of  $\frac{1}{2}$  of 1% per month]  
20 *as provided in the State Tax Uniform Procedure Law, subtitle 9*  
21 *of Title 54 of the Revised Statutes*.

22 b. Except in the case of a willfully false or fraudulent return with  
23 intent to evade the tax, no assessment of additional tax shall be  
24 made after the expiration of more than 5 years from the date of  
25 the filing of a return; provided, that where no return has been filed  
26 as provided by law, the tax may be assessed at any time. Where,  
27 before the expiration of the period prescribed herein for the assess-  
28 ment of an additional tax, a taxpayer has consented in writing that  
29 such period may be extended, the amount of such additional tax  
30 due may be determined at any time within such extended period.  
31 The period so extended may be further extended by subsequent  
32 consents in writing made before the expiration of the extended  
33 period.

1 15. Section 14 of P. L. 1973, c. 170 (C. 54:10E-14) is amended to  
2 read as follows:

3 14. a. If the period covered by a report under this act is less  
4 than 12 calendar months and is other than the period reported on  
5 for Federal income tax purposes, the taxpayer may prorate its  
6 adjusted entire net income by dividing such adjusted entire net  
7 income by the number of calendar months, or parts thereof, covered  
8 by the Federal income tax return and multiplying the result by  
9 the number of calendar months, or parts thereof, covered by the  
10 short period return. For purposes of this section, a part of a  
11 month shall be deemed to be a month.

12 b. Any taxpayer which shall fail to file its return when due [shall  
13 be liable to a penalty of \$2.00 for each day of delinquency, which  
14 penalty shall be payable to, and recoverable by, the director as  
15 part of the tax herein imposed. If] *or to pay any tax [be not paid]*  
16 *when the same becomes due, as herein provided, [there shall be*  
17 *added to the amount of the tax a sum equivalent to 5% thereof,*  
18 *as a penalty, and, in addition thereto, interest at the rate of 1%*  
19 *per month or fraction thereof from the date the tax became due*



20 until the same be paid.】 *shall be subject to such penalties and*  
21 *interest as provided in the State Tax Uniform Procedure Law,*  
22 *subtitle 9 of Title 54 of the Revised Statutes.* The director, if  
23 satisfied that the failure to comply with any provision of this act  
24 was excusable, may abate or remit the whole or part of any penalty.

1 16. Section 18 of P. L. 1973, c. 170 (C. 54:10E-18) is amended to  
2 read as follows:

3 18. The director may grant a reasonable extension of time for  
4 the filing of returns or the payment of tax, or both, under such  
5 rules and regulations as he shall prescribe, which rules and regu-  
6 lations may require the filing of a tentative return and the pay-  
7 ment of an estimated tax. If the time for filing the return shall be  
8 extended, the payment of the portion of the tax remaining to be  
9 paid, if any, shall be postponed to the date fixed by the extension  
10 of the time for the filing of the return, but in every such case the  
11 corporation shall pay, in addition to the unpaid portion of the tax,  
12 interest thereon at the rate **【of 6% per annum】** *as provided in the*  
13 *State Tax Uniform Procedure Law, subtitle 9 of Title 54 of the*  
14 *Revised Statutes*, from the time when the return originally was  
15 required to be filed to the date of actual payment under the exten-  
16 sion; provided, that if such unpaid portion of the tax is not paid  
17 within the time fixed under the extension, the interest on such  
18 unpaid portion shall be computed at the rate **【of 1% per month**  
19 **or fraction thereof to be calculated】** *as provided in the State Tax*  
20 *Uniform Procedure Law, subtitle 9 of Title 54 of the Revised*  
21 *Statutes*, from the date the tax was originally due to the date of  
22 actual payment.

1 17. Section 12 of P. L. 1966, c. 136 (C. 54:11A-12) is amended  
2 to read as follows:

3 12. (a) After a final return in due form is filed, the director  
4 shall cause the same to be examined and may make such further  
5 audit or investigation or reaudit as he may deem necessary, and  
6 if therefrom he shall determine that there is a deficiency with  
7 respect to the payment of any tax due under this act, he shall  
8 assess or reassess the additional taxes, penalties and interests due  
9 the State, give notice of such assessment or reassessment to the  
10 taxpayer, and make demand upon him for payment. There shall be  
11 added to the amount of any deficiency assessment or reassessment  
12 interest at the rate **【of 1% for each month or fraction thereof to be**  
13 **calculated from the date the tax was originally due and payable**  
14 **until the date of actual payment】** *as provided in the State Tax*  
15 *Uniform Procedure Law, subtitle 9 of Title 54 of the Revised*

16 *Statutes*. If the director is satisfied that the said deficiency was  
 17 not due to fraud or evasion, he may remit or waive the payment  
 18 of any interest charge **in excess of the rate of ½ of 1% per month**  
 19 *as provided in the State Tax Uniform Procedure Law, subtitle 9*  
 20 *of Title 54 of the Revised Statutes*.

21 (b) Except in the case of a willfully false or fraudulent return  
 22 with intent to evade the tax, no assessment of additional tax shall  
 23 be made after the expiration of more than 5 years from the date  
 24 of the filing of a return; provided, that where no return has been  
 25 filed as provided by law, the tax may be assessed at any time.  
 26 Where, before the expiration of the period prescribed herein for  
 27 the assessment of an additional tax, a taxpayer has consented in  
 28 writing that such period may be extended, the amount of such  
 29 additional tax due may be determined at any time within such  
 30 extended period. The period so extended may be further extended  
 31 by subsequent consents in writing made before the expiration of  
 32 the extended period.

1 18. Section 13 of P. L. 1966, c. 136 (C. 54:11A-13) is amended  
 2 to read as follows:

3 13. The director may grant a reasonable extension of time for  
 4 the filing of returns or the payment of tax, or both, under such  
 5 rules and regulations as he shall prescribe, which rules and regula-  
 6 tions may require the filing of a tentative return and the payment  
 7 of an estimated tax. If the time for filing the return shall be  
 8 extended, the payment of the portion of the tax remaining to be  
 9 paid, if any, shall be postponed to the date fixed by the extension  
 10 of the time for the filing of the return, but in every such case the  
 11 taxpayer shall pay, in addition to the unpaid portion of the tax,  
 12 interest thereon at the rate **of 6% per annum** *as provided in*  
 13 *the State Tax Uniform Procedure Law, subtitle 9 of Title 54 of*  
 14 *the Revised Statutes*, from the time when the return originally  
 15 was required to be filed to the date of actual payment under the  
 16 extension; provided, that if such unpaid portion of the tax is not  
 17 paid within the time fixed under the extension, the interest on  
 18 such unpaid portion shall be computed at the rate **of 1% per**  
 19 **month or fraction thereof to be calculated** *as provided in the State*  
 20 *Tax Uniform Procedure Law, subtitle 9 of Title 54 of the Revised*  
 21 *Statutes*, from the date the tax was originally due to the date of  
 22 actual payment.

1 19. Section 17 of P. L. 1966, c. 136 (C. 54:11A-17) is amended  
 2 to read as follows:

3 17. (a) Any taxpayer who shall fail to file his return when due  
 4 **shall be liable to a penalty of \$2.00** *or to pay* **for each day of**

5 delinquency. If any tax [be not paid] when the same becomes  
 6 due, as herein provided, [there shall be added to the amount of  
 7 the tax a sum equivalent to 5% thereof, as a penalty, and, in  
 8 addition thereto, interest at the rate of 1% per month or fraction  
 9 thereof from the date the tax becomes due until the same be paid]  
 10 shall be subject to such penalties and interest as provided in the  
 11 State Tax Uniform Procedure Law, subtitle 9 of Title 54 of the  
 12 Revised Statutes. The director, if satisfied that the failure to  
 13 comply with any provision of this act was excusable, may abate or  
 14 remit the whole or part of any penalty. All penalties and interest  
 15 shall be added to and become part of the tax and shall be enforce-  
 16 able and collectible in the same manner as the tax or pursuant to  
 17 the penalty enforcement law (chapter 58 of Title 2A of the New  
 18 Jersey Statutes) in a summary manner.

19 (b) The taxes, fees, interest and penalties imposed by this act,  
 20 from the time the same shall be due, shall be a personal debt of  
 21 the taxpayer to the State, recoverable in any court of competent  
 22 jurisdiction in the name of the State. Such debt shall not be a lien  
 23 on property of the taxpayer except upon entry of judgment or  
 24 filing of a certificate of debt as provided by law.

1 20. Section 19 of P. L. 1966, c. 136 (C. 54:11A-19) is amended  
 2 to read as follows:

3 19. In addition to any other powers granted to the director, he  
 4 is hereby authorized and empowered:

5 1. To make, adopt, amend and enforce uniform rules and regula-  
 6 tions appropriate to the carrying out of this act and the purposes  
 7 thereof, including uniform rules and regulations for ascertaining  
 8 whether property is real or personal and for identifying and  
 9 determining such property;

10 2. To extend, for cause shown, the time of filing any return for  
 11 a period not exceeding 2 months; and for cause shown, to remit  
 12 penalties but not interest [computed at the rate of 6% per annum]  
 13 as provided in the State Tax Uniform Procedure Law, subtitle 9  
 14 of Title 54 of the Revised Statutes;

15 3. To delegate his functions hereunder in whole or in part, to  
 16 any employee or employees of the Division of Taxation;

17 4. To require any owner of property subject to tax under this  
 18 act, to keep detailed records of all such property and other facts  
 19 relevant in determining the amount of tax due and to furnish such  
 20 information upon request to the director;

21 5. To assess, determine, revise and readjust the taxes imposed  
 22 by this act;

23 6. To make such provision as he deems necessary for the ad-  
24 ministration of the taxes imposed by this act including the report-  
25 ing, assessment, collection, determination and refund of such taxes.

1 21. Section 9 of P. L. 1966, c. 137 (C. 54:11B-9) is amended to  
2 read as follows:

3 9. Any taxpayer failing to file its return when due [shall be liable  
4 to a penalty of \$2.00 for each day of delinquency, which penalty  
5 shall be payable to, and recoverable by, the director as a part of the  
6 tax herein imposed. If] *or to pay* any tax [be not paid] when the  
7 same becomes due, as herein provided, [there shall be added to the  
8 amount of the tax a sum equivalent to 5% thereof, as a penalty,  
9 and, in addition thereto, interest at the rate of 1% per month or  
10 fraction thereof from the date the tax became due until the same  
11 be paid.] *shall be subject to such penalties and interest as provided*  
12 *in the State Tax Uniform Procedure Law, subtitle 9 of Title 54 of*  
13 *the Revised Statutes.* The director, if satisfied that the failure  
14 to comply with any provision of this section was excusable, may  
15 abate or remit the whole or part of ~~any~~ penalty.

1 22. Section 16 of P. L. 1966, c. 137 (C. 54:11B-16) is amended to  
2 read as follows:

3 16. The director may grant a reasonable extension of time for  
4 the filing of returns or the payment of tax, or both, under such  
5 rules and regulations as he shall prescribe, which rules and regu-  
6 lations may require the filing of a tentative return and the payment  
7 of an estimated tax, but no such extension shall be granted for a  
8 period of more than 3 months after the time for filing the return.  
9 If the time of filing the return shall be extended, the payment of  
10 the portion of the tax remaining to be paid, if any, shall be post-  
11 poned to the date fixed by the extension of the time for the filing  
12 of the return, but in every such case the taxpayer shall pay, in  
13 addition to the unpaid portion of the tax, interest thereon at the  
14 rate [of 6% per annum] *as provided in the State Tax Uniform*  
15 *Procedure Law, subtitle 9 of Title 54 of the Revised Statutes,* from  
16 the time when the return originally was required to be filed to the  
17 date of actual payment under the extension; provided, that if such  
18 unpaid portion of the tax is not paid within the time fixed under  
19 the extension, the interest on such unpaid portion shall be computed  
20 at the rate [of 1% per month or fraction thereof to be calculated]  
21 *as provided in the State Tax Uniform Procedure Law, subtitle 9*  
22 *of Title 54 of the Revised Statutes,* from the date the tax was  
23 originally due to the date of actual payment.

1 23. Section 17 of P. L. 1966, c. 137 (C. 54:11B-17) is amended to  
2 read as follows:

3 17. (a) After a final return in due form is filed, the director shall  
4 cause the same to be examined and may make such further audit  
5 or investigation or reaudit as he may deem necessary, and if there-  
6 from he shall determine that there is a deficiency with respect to  
7 the payment of any tax due under this act, he shall assess or  
8 reassess the additional taxes, penalties and interest due the State,  
9 give notice of such assessment or reassessment to the taxpayer,  
10 and make demand upon him for payment. There shall be added  
11 to the amount of any deficiency assessment or reassessment interest  
12 at the rate [of 1% for each month or fraction thereof to be cal-  
13 culated from the date the tax was originally due and payable  
14 until the date of actual payment] *as provided in the State Tax*  
15 *Uniform Procedure Law, subtitle 9 of Title 54 of the Revised*  
16 *Statutes*. If the director is satisfied that the said deficiency was  
17 not due to fraud or evasion, he may remit or waive the payment  
18 of any interest charge [in excess of the rate of  $\frac{1}{2}$  of 1% per month]  
19 *as provided in the State Tax Uniform Procedure Law, subtitle 9 of*  
20 *Title 54 of the Revised Statutes*.

21 (b) Except in the case of a willfully false or fraudulent return  
22 with intent to evade the tax, no assessment of additional tax shall  
23 be made after the expiration of more than 5 years from the date  
24 of the filing of a return; provided, that where no return has been  
25 filed as provided by law, the tax may be assessed at any time.  
26 Where, before the expiration of the period prescribed herein for  
27 the assessment of an additional tax, a taxpayer has consented in  
28 writing that such period may be extended, the amount of such addi-  
29 tional tax due may be determined at any time within such extended  
30 period. The period so extended may be further extended by subse-  
31 quent consents in writing before the expiration of the extended  
32 period.

1 24. Section 20 of P. L. 1966, c. 137 (C. 54:11B-20) is amended  
2 to read as follows:

3 20. The director is hereby authorized and empowered:

4 (a) To make, adopt and amend rules and regulations appro-  
5 priate to the carrying out of this act and the purposes thereof;

6 (b) To extend, for cause shown by general regulation or indi-  
7 vidual authorization, the time of filing any return for a period not  
8 exceeding 6 months on such terms and conditions as he may require;  
9 and for cause shown, to remit penalties but not interest computed

10 at the rate [of 6% per annum] as provided in the State Tax  
 11 Uniform Procedure Law, subtitle 9 of Title 54 of the Revised  
 12 Statutes. In the case of a general regulation, the director shall  
 12A have the authority to waive interest;

13 (c) To delegate his functions hereunder to any officer or em-  
 14 ployee of his division such of his powers as he may deem necessary  
 15 to carry out efficiently the provisions of this act, and the person  
 16 or persons to whom such power has been delegated shall possess  
 17 and may exercise all of the power and perform all of the duties  
 18 herein conferred and imposed upon the director.

1 25. Section 10 of P. L. 1966, c. 133 (C. 54:11C-10) is amended to  
 2 read as follows:

3 10. In addition to the powers granted to the director in this act,  
 4 he is hereby authorized and empowered:

5 1. To make, adopt and amend rules and regulations appropriate  
 6 to the carrying out of this act and the purposes thereof;

7 2. To extend, for cause shown by general regulation or individual  
 8 authorization, the time of filing any return for a period not exceed-  
 9 ing 3 months on such terms and conditions as he may require; and  
 10 for cause shown, to remit penalties but not interest computed at  
 11 the rate [of 6% per annum] as provided in the State Tax Uniform  
 12 Procedure Law, subtitle 9 of Title 54 of the Revised Statutes;

13 3. To delegate his functions hereunder to any officer or employee  
 14 of his division such of his powers as he may deem necessary to  
 15 carry out efficiently the provisions of this act, and the person or  
 16 persons to whom such power has been delegated shall possess and  
 17 may exercise all of the power and perform all of the duties herein  
 18 conferred and imposed upon the director;

19 4. To audit, reaudit, revise and adjust the return of any taxpayer  
 20 as the director may deem necessary.

1 26. Section 11 of P. L. 1966, c. 133 (C. 54:11C-11) is amended  
 2 to read as follows:

3 11. (a) Any taxpayer failing to file a return or to pay any tax  
 4 to the director within the time required by this act, [shall be subject  
 5 to a penalty of 5% of the amount of tax due; plus interest at the  
 6 rate of 1% of such tax for each month of delay excepting the first  
 7 month after such return was required to be filed or such tax  
 8 became due; but the director if satisfied that the delay was ex-  
 9 cusable, may remit all or any part of such penalty, but not interest  
 10 at the rate of 6% per year] shall be subject to such penalties and  
 11 interest as provided in the State Tax Uniform Procedure Law,

12 *subtitle 9 of Title 54 of the Revised Statutes.* Unpaid penalties  
13 and interest may be determined, assessed, collected and enforced  
14 in the same manner as the tax imposed by this act.

15 (b) Any person failing to file a return required by this act, or  
16 filing or causing to be filed, or making or causing to be made, or  
17 giving or causing to be given any return, certificate, affidavit,  
18 representation, information, testimony or statement required or  
19 authorized by this act, which is willfully false, or failing to file a  
20 registration certificate and such data in connection therewith as the  
21 director by regulation or otherwise may require, or to display or  
22 surrender a certificate of authority as required by this act, or  
23 assigning or transferring such certificate of authority, shall, in  
24 addition to any other penalties herein or elsewhere prescribed,  
25 be guilty of a misdemeanor, punishment for which shall be a fine  
26 of not more than \$1,000.00 or imprisonment for not more than  
27 1 year, or both such fine and imprisonment.

28 (c) The certificate of the director to the effect that a tax has not  
29 been paid, that a return or registration certificate has not been  
30 filed, or that information has not been supplied pursuant to the  
31 provisions of this act, shall be presumptive evidence thereof.

1 27. Section 19 of P. L. 1973, c. 170 (C. 54:10E-19) is amended  
2 to read as follows:

3 19. a. After a final return in due form is filed, the director shall  
4 cause the same to be examined and may make such further audit  
5 or investigation or reaudit as he may deem necessary, and if there-  
6 from he shall determine that there is a deficiency with respect to  
7 the payment of any tax due under this act, he shall assess or re-  
8 assess the additional taxes, penalties and interests due the State,  
9 give notice of such assessment or reassessment to the taxpayer,  
10 and make demand upon him for payment. There shall be added to  
11 the amount of any deficiency assessment or reassessment, interest  
12 at the rate [of 1% for each month or fraction thereof to be calcu-  
13 lated from the date the tax was originally due and payable until  
14 the date of actual payment] *as provided in the State Tax Uniform*  
15 *Procedure Law, subtitle 9 of Title 54 of the Revised Statutes.* If  
16 the director is satisfied that the said deficiency was not due to  
17 fraud or evasion, he may remit or waive the payment of any  
18 interest charge [in excess of the rate of ½ of 1% per month] *as*  
19 *provided in the State Tax Uniform Procedure Law, subtitle 9 of*  
20 *Title 54 of the Revised Statutes.*

21 b. Except in the case of a willfully false or fraudulent return  
22 with intent to evade the tax, no assessment of additional tax shall

23 be made after the expiration of more than 5 years from the date  
 24 of the filing of a return; provided, that where no return has been  
 25 filed as provided by law, the tax may be assessed at any time.  
 26 Where, before the expiration of the period prescribed herein for  
 27 the assessment of an additional tax, a taxpayer has consented in  
 28 writing that such period may be extended, the amount of such  
 29 additional tax due may be determined at any time within such  
 30 extended period. The period so extended may be further extended  
 31 by subsequent consents in writing made before the expiration of  
 32 the extended period.

33 c. After a final return in due form is filed for an accounting  
 34 period under this act, the director may, within 5 years of the date  
 35 of filing such return, require the taxpayer to file a proper return  
 36 under the Corporation Business Tax Act (C. 54:10A-1 et seq.)  
 37 and pay any additional tax due thereon, if he shall determine that  
 38 the taxpayer was properly subject to tax under said Corporation  
 39 Business Tax Act for such accounting period.

40 d. The director is authorized to enter into a written agreement  
 41 with any taxpayer relating to the liability of such taxpayer in  
 42 respect of any tax, fee, penalty or interest heretofore or hereafter  
 43 imposed by this act which agreement shall be final and conclusive,  
 44 and except upon a showing of fraud, malfeasance, or misrepre-  
 45 sentation of a material fact:

46 (1) The case shall not be reopened as to the matters agreed upon  
 47 or the agreement modified, by any officer, employee or agent of  
 48 this State; and

49 (2) In any suit, action or proceeding, such agreement or any  
 50 determination, assessment, collection, payment, cancellation, refund  
 51 or credit made in accordance therewith, shall not be annulled,  
 52 modified, set aside or disregarded.

1 28. Section 9 of P. L. 1952, c. 227 (C. 54:16A-9) is amended to  
 2 read as follows:

3 9. If any tax or portion thereof provided by this act shall remain  
 4 unpaid beyond the due date therefor the delinquent company or  
 5 delinquent component or components shall be liable for [a charge  
 6 of 1% of the amount so unpaid for each month or fraction thereof  
 7 in which it shall remain unpaid beyond such due date] *interest*  
 8 *charges as provided in the State Tax Uniform Procedure Law,*  
 9 *subtitle 9 of Title 54 of the Revised Statutes.*

1 29. Section 10 of P. L. 1950, c. 101 (C. 54:18A-21) is amended  
 2 to read as follows:



3 10. In case any life insurance company of this State, required  
 4 by this act to file a return, fails to make the same within the time  
 5 limited by law the Commissioner of Banking and Insurance shall  
 6 from sources available to him determine upon and report to the  
 7 Director of the Division of Taxation, a reasonable estimate of the  
 8 basis upon which the annual franchise tax may be determined and  
 9 the Director of the Division of Taxation shall ascertain and fix  
 10 the amount of the annual franchise tax on the basis so furnished  
 11 to him by the Commissioner of Banking and Insurance. The amount  
 12 of the franchise tax so fixed shall stand as the tax to be paid by  
 13 such life insurance company as provided in section 9 of this act.

14 If the annual franchise tax imposed by this act upon any life  
 15 insurance company of this State shall not have been paid on or  
 16 before the date when due in any specified year, the amount due  
 17 and unpaid shall bear interest from and after such date until paid,  
 18 at the rate **[of 1% per month,]** *as provided in the State Tax*  
 19 *Uniform Procedure Law, subtitle 9 of Title 54 of the Revised*  
 20 *Statutes*, such interest to be collected by the county and municipi-  
 21 pality with the franchise tax payable as herein provided.

1 30. Section 53 of P. L. 1941, c. 291 (C. 54:29A-53) is amended  
 2 to read as follows:

3 53. Taxes heretofore imposed pursuant to any law for the taxa-  
 4 tion of property used for railroad and canal purposes or hereafter  
 5 imposed pursuant to this act, or any unpaid portion thereof, shall  
 6 bear interest from and after the date upon which they became or  
 7 may become due and delinquent at the rate **[of 1% for each month**  
 8 **until paid]** *as provided in the State Tax Uniform Procedure Law,*  
 9 *subtitle 9 of Title 54 of the Revised Statutes*, notwithstanding the  
 10 prosecution of any action or proceeding, including a proceeding in  
 11 lieu of prerogative writ.

1 31. Section 26 of P. L. 1966, c. 30 (C. 54:32B-26) is amended  
 2 to read as follows:

3 26. Penalties and interest. (a) Any person failing to file a  
 4 return or to pay or pay over any tax to the director within the  
 5 time required by this act **[shall be subject to a penalty of 5% of the**  
 6 **amount of tax due; plus interest at the rate of 1% of such tax for**  
 7 **each month of delay excepting the first month after such return was**  
 8 **required to be filed or such tax became due but the director if**  
 9 **satisfied that the delay was excusable, may remit all or any part of**  
 10 **such penalty, but not interest at the rate of 6% per year]** *shall be*  
 11 *subject to such penalties and interest as provided in the State Tax*  
 12 *Uniform Procedure Law, subtitle 9 of Title 54 of the Revised*

13 *Statutes.* Unpaid penalties and interest may be determined, as-  
 14 sessed, collected and enforced in the same manner as the tax  
 15 imposed by this act.

16 (b) Any person failing to file a return or failing to pay or pay  
 17 over any tax required by this act, or filing or causing to be filed, or  
 18 making or causing to be made, or giving or causing to be given any  
 19 return, certificate, affidavit, representation, information, testimony  
 20 or statement required or authorized by this act, which is willfully  
 21 false, or willfully failing to file a bond required by this act, or fail-  
 22 ing to file a registration certificate and such data in connection  
 23 therewith as the director by regulation or otherwise may require,  
 24 or to display or surrender a certificate of authority as required by  
 25 this act, or assigning or transferring such certificate of authority,  
 26 or willfully failing to charge separately the tax herein imposed or  
 27 to state such tax separately on any bill, statement, memorandum  
 28 or receipt issued or employed by him upon which the tax is re-  
 29 quired to be stated separately as provided in subsection (a) of  
 30 section 12, or willfully failing to collect the tax from a customer,  
 31 or referring or causing reference to be made to this tax in a form  
 32 or manner other than that required by this act, or failing to keep  
 33 any records required by this act, shall, in addition to any other  
 34 penalties herein or elsewhere prescribed, be a disorderly person.

35 (c) The certificate of the director to the effect that a tax has not  
 36 been paid, that a return, bond or registration certificate has not  
 37 been filed, or that information has not been supplied pursuant to  
 38 the provisions of this act shall be presumptive evidence thereof.

1 32. R. S. 54:39-27 is amended to read as follows:

2 54:39-27. Every distributor and gasoline jobber shall, on or  
 3 before the next to the last business day of each month, render a  
 4 report to the commissioner, stating the number of gallons of fuel  
 5 sold or used in this State by him during the preceding calendar  
 6 month. A tax of \$0.08 per gallon on each gallon so reported,  
 7 except diesel fuel, and a tax of \$0.08 per gallon on each gallon of  
 8 diesel fuel so reported, used, offered for sale, or sold for use  
 9 to propel motor vehicles with diesel type engines on the public  
 10 highways shall be paid by each distributor and gasoline jobber, such  
 11 payment to accompany the filing of the report. Such report shall  
 12 contain such further information as the commissioner may require.  
 13 Under such regulations as the commissioner may prescribe, sales  
 14 of fuel and diesel fuel may be made by one licensed distributor or  
 15 gasoline jobber to another licensed distributor or gasoline jobber  
 16 free of such tax. If any distributor or gasoline jobber shall fail,  
 17 neglect or refuse to file the report within the time prescribed by

18 this section, the commissioner shall note such failure, neglect or  
 19 refusal upon his records, and shall estimate the sales, distribution  
 20 and use of said distributor or gasoline jobber, assessing the tax  
 21 thereon, adding to said tax a penalty [of 20% thereof for failure,  
 22 neglect or refusal to report, and such estimate shall be prima facie  
 23 evidence of the true amount of tax due to the commissioner from  
 24 such distributor or gasoline jobber] of 20% thereof for failure,  
 25 neglect or refusal to report, and such estimate shall be prima facie  
 26 evidence of the true amount of tax due to the commissioner from  
 27 such distributor or gasoline jobber; provided, that if a good and  
 28 sufficient cause or reason is shown for such delinquency, the com-  
 29 missioner may remit or waive the payment of the whole or any part  
 30 of the penalty as provided in the State Tax Uniform Procedure  
 31 Law, subtitle 9 of Title 54 of the Revised Statutes. Reports re-  
 32 quired by this section, exclusive of schedules, itemized statements  
 33 and other supporting evidence annexed thereto, shall at all reason-  
 34 able times be open to the public, anything contained in section  
 35 54:50-8 to the contrary notwithstanding.

1 33. R. S. 54:39-64 is amended to read as follows:

2 54:39-64. (a) Any person importing fuels, as herein defined,  
 3 into this State, for the purpose of selling same incidental to his  
 4 principal business of buying and selling fuels in this State or for  
 5 the purpose of consuming the same, or for the purpose of blending  
 6 the same with other fuels upon which the tax provided for in this  
 7 chapter has been prepaid, or is properly owing to the State, shall  
 8 be required to obtain a special permit (special license A) from the  
 9 Director of the Division of Taxation and shall furnish bond as  
 10 provided in this chapter. Such person shall be required to file a  
 11 report with the director, disclosing the amount of fuel so imported,  
 12 and such additional information as the director may require for  
 13 the proper administration of this chapter, within 5 days from the  
 14 receipt of such fuels. Upon application to the director, the period  
 15 within which such reports shall be filed may be extended to a period  
 16 of 60 days, if it shall be deemed advisable by the director. A tax,  
 17 at the rate per gallon specified in section 54:39-27 of this Title,  
 18 on the total number of gallons so imported, together with any  
 19 unpaid tax on such other fuels, shall be paid to the director and  
 20 accompany the report.

21 Every person importing fuel into this State shall be presumed  
 22 to have sold, consumed or to have blended such fuel, and proof of  
 23 such importation shall be prima facie evidence that such fuel is  
 24 taxable, as provided herein.

25 Any person violating any provisions of this subsection (a) shall  
 26 be guilty of a misdemeanor.

27 (b) Any person purchasing motor fuel on which there has been  
28 no charge made to him of the motor fuel tax thereon, if the same  
29 be thereafter used or sold for use in the operation of a motor  
30 vehicle upon the highways, shall be required to obtain a special  
31 license B from the director and shall be required to pay a tax, at  
32 the rate per gallon specified in section 54:39-27 of this Title, on the  
33 total number of gallons so used or sold for use. Such person shall,  
34 on or before the fifteenth day of each month, render a report to  
35 the director, stating the number of gallons of fuel purchased, used  
36 or sold for use in this State by him during the preceding calendar  
37 month and such additional information as the director may require.  
38 The tax, as herein provided, shall be paid to the director and  
39 accompany such report.

40 Any person who, having purchased motor fuel on which there  
41 has been no charge made to him of the motor fuel tax thereon, shall  
42 thereafter use or sell such motor fuel for use in the operation of  
43 a motor vehicle upon the highways without having first secured a  
44 special license B from the director, shall, in the absence of a prior  
45 conviction, be liable to a penalty of \$25.00 for each offense but not  
46 in excess of \$100.00 for an aggregate number of offenses not ex-  
47 ceeding five; a penalty of \$25.00 for each offense but not in excess  
48 of \$250.00 for an aggregate number of offenses in excess of five;  
49 provided, however, that in the event of a prior conviction the  
50 penalty shall be \$100.00 for each offense. Any person who, after  
51 conviction, shall fail to forthwith pay any of the foregoing penalties  
52 imposed against him, shall be imprisoned for a period of not less  
53 than 10 nor more than 30 days.

54 Any person not holding a special license B who shall fail to file  
55 the report required by this subsection (b) on the day it shall be  
56 due, shall forfeit as a penalty **【for each day thereafter until the**  
57 **report is filed, the sum of \$1.00.】** *an amount as provided in the*  
58 *State Tax Uniform Procedure Law, subtitle 9 of Title 54 of the*  
59 *Revised Statutes.* Any such person who shall fail to pay the tax  
60 required by this subsection (b) on the day when it shall be due  
61 shall forfeit **【as a penalty an amount equivalent to 20% of the tax**  
62 **due. In addition to such penalty, such person shall pay interest**  
63 **on the tax due at the rate of 1% for each month or fraction thereof**  
64 **that the tax remains unpaid, to be calculated from the date the**  
65 **tax was originally due until the date of actual payment.】** *as a*  
66 *penalty an amount equivalent to 20% of the tax due. In addition*  
67 *to such penalty, such person shall pay interest on the tax due at*  
68 *the rate of 1 1/2% for each month or fraction thereof that the tax*

69 *remains unpaid, to be calculated from the date the tax was origi-*  
 70 *nally due until the date of actual payment.*

71 Any holder of a special license B who shall fail to file the report  
 72 required by this subsection (b) on the day it shall be due, shall  
 73 forfeit as a penalty [for each day thereafter until the report is  
 74 filed, the sum of \$1.00 up to a maximum of \$30.00] *an amount as*  
 75 *provided in the State Tax Uniform Procedure Law, subtitle 9 of*  
 76 *Title 54 of the Revised Statutes.* Any holder of a special license  
 77 B who shall fail to pay the tax required by this subsection (b) on  
 78 the date when it shall be due shall forfeit as [a penalty] *penalties*  
 79 *and interest* an amount [equal to 2% of the tax due. In addition  
 80 to such penalty, all holders of a special license B shall pay interest  
 81 on the tax due at the rate of 1% for each month or fraction  
 82 thereof that the same remains unpaid, to be calculated from  
 83 the date the tax was originally due until the date of actual pay-  
 84 ment] *as provided in the State Tax Uniform Procedure Law,*  
 85 *subtitle 9 of Title 54 of the Revised Statutes.*

86 The director, if satisfied that the failure to file the report or  
 87 pay the tax was excusable, may remit or waive the payment of the  
 88 whole or part of any penalty and the payment of any interest  
 89 charge [in excess of the rate of  $\frac{1}{2}$  of 1% per month] *as provided*  
 90 *in the State Tax Uniform Procedure Law, subtitle 9 of Title 54 of*  
 91 *the Revised Statutes.*

92 All penalties and interest assessed pursuant to the provisions  
 93 of this subsection (b) shall be payable forthwith after notice and  
 94 demand shall be mailed by the director to the person concerned.  
 95 If payment be not made within 15 days thereafter, the penalty  
 96 and interest shall be sued for in the manner set forth in sections  
 97 54:39-59 and 54:39-60 of the Revised Statutes.

98 (c) This section, including subsections (a) and (b) shall not  
 99 apply to distributors duly licensed in accordance with the provi-  
 100 sions of this chapter.

1 34. Section 205 of P. L. 1948, c. 65 (C. 54:40A-7) is amended to  
 2 read as follows:

3 205. Reports required; penalty required for not filing reports.

4 Every licensed distributor shall file with the director on or be-  
 5 fore the twentieth day of each month, a report in such form as the  
 6 director shall prescribe, which report shall disclose the number of  
 7 cigarettes on hand on the first and last days of the calendar month  
 8 immediately preceding the month in which such report is required;  
 9 together with such information concerning the amount of stamps  
 10 purchased, used, and on hand during the report period; together

11 with any other information for the report period that the director  
12 shall prescribe.

13 Every licensed manufacturer shall file with the director on or  
14 before the twentieth day of each month, a report in such form as  
15 the director shall prescribe, which report shall disclose the number  
16 of cigarettes sold, subject to the cigarette tax, for the calendar  
17 month immediately preceding the month in which such report is  
18 required; together with any other information for the report period  
19 that the director shall prescribe.

20 Every licensed manufacturer's representative, wholesale and re-  
21 tail dealer, upon notice from the director, shall file with the director  
22 a report in such form, and on such dates, as the director shall  
23 prescribe.

24 Every licensed consumer who has acquired cigarettes for use,  
25 storage or consumption subject to the tax shall, on or before the  
26 twentieth day of the month following receipt of such cigarettes,  
27 complete and file with the director, in such form as the director  
28 shall prescribe, a report showing the amount of cigarettes so re-  
29 ceived. Said report shall be accompanied by a remittance for the  
30 full amount of the tax due.

31 Any person, other than a licensed distributor, who transports  
32 unstamped cigarettes upon the public highways, roads, or streets  
33 of this State or who stores unstamped cigarettes in this State upon  
34 notice from the director, shall file with the director a report in such  
35 form, and on such dates, as the director shall prescribe.

36 Any person who shall fail to file any report on the day when it  
37 shall be due, shall forfeit as a penalty, [for each day thereafter  
38 until the report is filed, the sum of \$1.00 to be collected in the  
39 manner provided in this act for the collection of penalties] *an*  
40 *amount as provided in the State Tax Uniform Procedure Law,*  
41 *subtitle 9 of Title 54 of the Revised Statutes.* The director, if  
42 satisfied that the failure to comply with any provision of this  
43 section was excusable, may remit the whole or any part of said  
44 penalty.

1 35. R. S. 54:44-1 is hereby amended to read as follows:

2 54:44-1. The taxes imposed by this subtitle shall be due and  
3 payable at the time of the first sale or delivery, as the case may be,  
4 in this State. In case the tax so imposed has not been paid or  
5 secured by the person making the sale or delivery, or causing the  
6 delivery to be made, the purchaser or the person accepting delivery  
7 shall also be liable to the tax and the payment thereof. The com-  
8 missioner, upon such terms and conditions as he may prescribe,

9 may permit a postponement of payment until a subsequent resale  
10 thereof and in any case may permit a postponement to a date not  
11 later than the fifteenth day of the month next following the month  
12 in which the sales or resales or deliveries so taxed were made. If  
13 any tax be not paid when the same becomes payable as herein  
14 provided, there shall be added to the amount of the tax a sum  
15 equivalent to [5% thereof, and, in addition thereto, interest on  
16 the tax at the rate of 1% a month or fraction of a month, from  
17 the date the tax became payable until the same be paid] *the*  
18 *penalties and interest as provided in the State Tax Uniform Pro-*  
19 *cedure Law, subtitle 9 of Title 54 of the Revised Statutes.* Nothing  
20 herein contained shall be construed to relieve any subsequent seller  
21 of liability to pay the tax upon any sale or delivery should payment  
22 thereof not have been made. When alcoholic beverages are delivered  
23 into a United States Customs or United States Internal Revenue  
24 warehouse under Federal bond the commissioner may further  
25 postpone and by rule and regulation fix the time and method of  
26 payment of the tax. The commissioner, if satisfied that the failure  
27 to comply with any provisions of this section was excusable, may  
28 remit the whole or part of any penalty [or of any interest herein  
29 imposed] *as provided in the State Tax Uniform Procedure Law,*  
30 *subtitle 9 of Title 54 of the Revised Statutes.*

1 36. R. S. 54:45-1 is amended to read as follows:

2 54:45-1. Every person who, within this State, shall manufacture,  
3 distribute, transport, store, warehouse, import, offer for sale or sell  
4 any alcoholic beverages or who shall purchase, transfer, sell or  
5 agree to sell warehouse receipts, receipts, certificates, contracts or  
6 other documents given upon the storage of alcoholic beverages, or  
7 who is the holder of a license permitting the doing of any such acts  
8 shall file with the director a report on such form as the director  
9 shall prescribe. Any such report shall be verified by oath whenever  
10 the director shall so require. Every such report shall accurately and  
11 truthfully disclose the amount of alcoholic beverages manufactured,  
12 distributed, transported, stored, warehoused, withdrawn from  
13 storage, imported, purchased and sold, and the number and kind of  
14 warehouse receipts, receipts, certificates, contracts or other docu-  
15 ments given upon the storage of alcoholic beverages purchased,  
16 transferred, sold and agreed to be sold by such person during the  
17 preceding 2 months, and such other information as the director  
18 may require. Such report shall be filed on or before the fifteenth  
19 day following each 2-month period. Holders of plenary retail  
20 consumption licenses, seasonal retail consumption licenses, plenary

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21 retail distribution licenses, limited retail distribution licenses and  
 22 club licenses, issued pursuant to the provisions of Title 33 of the  
 23 Revised Statutes or any other relative law of this State and the  
 24 holders of permits, issued pursuant to the provisions of Title 33 of  
 25 the Revised Statutes, authorizing the manufacture of wine for  
 26 personal consumption only, shall not be required to file a report.  
 27 Every such person shall pay to the director upon the filing of such  
 28 report the amount of tax which shall be due from such person by  
 29 reason of sales or deliveries of alcoholic beverages, unless pre-  
 30 viously paid.

31 Any such person who shall fail to file any such report on the  
 32 day when it shall be due shall forfeit as a penalty [for each day  
 33 thereafter until the report is filed the sum of \$5.00 to be collected  
 34 as hereinabove provided] *an amount as provided in the State Tax*  
 35 *Uniform Procedure Law, subtitle 9 of Title 54 of the Revised*  
 36 *Statutes.* Such penalty shall not continue to accrue after the  
 37 suspension or revocation of the license of any such person. Any  
 38 such person who shall fail to pay any such tax on the day when it  
 39 shall be due shall forfeit as a penalty an amount [equivalent to  
 40 5% of the tax to be collected as hereinabove provided] *as provided*  
 41 *in the State Tax Uniform Procedure Law, subtitle 9 of Title 54 of*  
 42 *the Revised Statutes.*

43 The director, if satisfied that the failure to comply with any  
 44 provision of this section was excusable, may remit the whole or any  
 45 part of any penalty herein imposed.

1 37. R. S. 54:45-5 is amended to read as follows:

2 54:45-5. a. If any taxpayer shall fail to make a report as herein  
 3 required, the commissioner may make an estimate of the taxable  
 4 liability of such taxpayer from any information he may obtain  
 5 and, according to such estimate so made by him, assess the taxes,  
 6 penalties and interest due the State from such taxpayer, give notice  
 7 of such assessment to the taxpayer, and make demand upon him  
 8 for payment.

9 b. After a report is filed under the provisions of this subtitle,  
 10 the commissioner shall cause the same to be examined and may  
 11 make such further audit or investigation as he may deem necessary,  
 12 and if therefrom he shall determine that there is a deficiency with  
 13 respect to the payment of any tax due under this subtitle, he shall  
 14 assess the additional taxes, penalties and interest due the State  
 15 from such taxpayer, give notice of such assessment to the taxpayer,  
 16 and make demand upon him for payment.

17 c. All taxes, penalties and interest assessed by the commissioner



18 pursuant to the provisions of paragraphs "a" and "b" of this  
19 section shall be paid within 15 days after notice and demand shall  
20 have been mailed to the taxpayer by the commissioner. If such  
21 taxes, penalties and interest, so assessed, shall not be paid within  
22 the 15 days, there shall be added to the amount of the assessment  
23 a sum equivalent to [5% of the tax assessed as a penalty, which  
24 penalty shall be in addition to the penalties provided for in sections  
25 54:44-1 and 54:45-1 of the Revised Statutes.] *the penalties as*  
26 *provided in the State Tax Uniform Procedure Law, subtitle 9 of*  
27 *Title 54 of the Revised Statutes.* All such additional penalties shall  
28 be payable to and recoverable by the commissioner in the same  
29 manner as if the penalties were taxes imposed by this subtitle.  
30 If the failure to pay the taxes, penalties and interest so assessed  
31 when required to be paid is explained to the satisfaction of the  
32 commissioner, he may remit or waive the payment of the whole  
33 or any part of any such additional penalty.

34 d. If the commissioner finds that a taxpayer designs quickly to  
35 depart from this State or to remove his property therefrom, or  
36 to conceal himself or his property, or to discontinue business, or  
37 to do any other act tending to prejudice or render wholly or partly  
38 ineffectual proceedings to assess or collect such tax, unless such  
39 proceedings be brought without delay, the commissioner may im-  
40 mediately make an arbitrary assessment as hereinbefore provided  
41 in paragraph "a" of this section, whether or not any report is  
42 then due by law, and may proceed under such arbitrary assessment  
43 to collect the tax, or compel the posting of security for the payment  
44 of the same, and thereafter he shall cause notice of such finding to  
45 be given to such taxpayer, together with a demand for an immediate  
46 report and immediate payment of such tax. All taxes, assessed  
47 pursuant to the provisions of this paragraph "d," shall be payable  
48 forthwith after notice and demand shall have been mailed to the  
49 taxpayer by the commissioner. If such payment be not made within  
50 15 days thereafter, there shall be added to the amount of the tax  
51 so assessed a sum equivalent [to 5% thereof, and in addition  
52 thereto interest thereon at the rate of 1% a month for each month  
53 or fraction thereof from the date demand was made for payment  
54 of said tax until the same shall be paid] *the penalties and interest*  
55 *as provided in the State Tax Uniform Procedure Law, subtitle 9*  
56 *of Title 54 of the Revised Statutes.* All such penalties and interest  
57 shall be payable to, and recoverable by, the commissioner in the  
58 same manner as if the penalty or interest were a tax imposed by  
59 this subtitle. If failure to pay the taxes, penalties and interest so

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60 assessed when required to be paid is explained to the satisfaction  
61 of the commissioner, he may remit or waive the payment of the  
62 whole or any part of any penalty or of any interest herein imposed.

63 e. If any taxpayer shall be aggrieved by any finding or assess-  
64 ment of the commissioner, he may, within 30 days of receipt of  
65 the notice of assessment or finding, file a protest in writing signed  
66 by himself or his duly authorized agent, which shall be under oath,  
67 and shall set forth the reason therefor, and may request a hearing.  
68 Thereafter the commissioner shall grant a hearing to the taxpayer,  
69 if the same shall be requested. He may make an order confirming,  
70 modifying or vacating any such finding or assessment. The filing  
71 of any such protest shall not abate penalties for nonpayment, nor  
72 shall it stay the right of the commissioner to collect the tax in any  
73 manner herein provided, unless the taxpayer shall furnish security  
74 of the kind and in the amount satisfactory to the commissioner.

1 38. This act shall take effect immediately and shall be applicable  
2 to returns and taxes due on and after October 1, 1975 *or the first*  
3 *day of the calendar quarter following enactment, whichever is later.*

STATEMENT BY GOVERNOR BRIGGS

August 4, 1975

A-3557

I have signed into law the supplemental appropriations bill and the tax and other revenue bills to finance it. These revenues will keep the buses and trains in operation and will restore the other programs that a majority of the Legislature adjudged to be vital to the public welfare.

Even with these restorations, New Jersey remains the most tight-fisted state in the nation. We will spend in this fiscal year about \$75 million less than we spent last year, despite the toll of continuing inflation which falls as heavily on government as it does on household budgets. And this Administration will continue its effort to cut corners and realize further economies wherever possible to make stretch every tax dollar as far as it will go.

The new taxes included in this revenue package are far less regressive than some of the taxes that the Legislature considered and wisely rejected. For the most part, the burden falls most heavily on segments of the economy that are able to bear that additional burden. And one of them -- the capital gains or unearned income tax -- is truly progressive.

Nevertheless, I take no particular pride in signing these taxes into law. And I noticed that few members of the Legislature exhibited much pride in enacting them. For this is strictly a stopgap revenue program and we must not lose sight of what it fails to do, as well as what it accomplishes.

This revenue package does nothing to meet our commitment -- the Legislature's and mine -- to fund the new education formula under which the State is to assume a greater portion of the costs of operating our public schools. The State Supreme Court has ordered that this be done and the Legislature has publicly declared its intention to deal with that commitment beginning on November 10.

- \* A-1915
- A-3339
- A-3556
- A-3593
- A-3609
- A-3625
- A-3636
- A-3687
- A-3688
- A-3689

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This revenue package does nothing to reform New Jersey's patchwork tax structure and provide relief from rising and too often confiscatory property taxes, a goal to which I remain personally committed. The most we can say for these new taxes is that they will not make that tax structure measurably more regressive than it is.

And several of the bills I signed today are, by design, temporary sources of revenue. The funds they provide will, of necessity, have to be replaced from some other source next year if the programs they finance are to continue. These temporary measures, together with other fiscal facts of life, increase the already inevitable need for substantial new revenues next year.

The Legislature has demonstrated dramatically in the past several months that there are no easy taxes -- nor should there be. The true test of a potential new tax or tax increase should not be whether it will be easy to pass, but how equitably its burden will be distributed on those who will pay it.

I am confident that the Legislature will work for true tax reform in addressing our unmet obligations in the months ahead. I will, as always, be ready to work with it in a pursuit of that goal.

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Attachment

The following bills were signed by Governor Byrne:

S-3170\* - Sponsored by Senator Joseph Merlino, D-Mercer, which increases the interest and penalties to be assessed in conjunction with the administration and enforcement of certain state tax laws.

A-1915 - Sponsored by Assemblyman Robert Shelton, D-Sussex, which provides for the taxation of banks under the same laws pursuant to which business corporations are taxed.

A-3339 - Sponsored by Assemblyman Steven Perskie, D-Atlantic, which prescribes the amount of excise taxes each "financial business corporation" shall pay during each of the years 1976, 1977 and 1978.

A-3556 - Sponsored by Assemblyman William Hamilton, D-Middlesex, which designated the "Tax on Capital Gains and Other Unearned Income Act," imposes a tax on capital gains and other unearned income.

A-3557 - Sponsored by Assemblyman George Barbour, D-Burlington, which supplements and amends the appropriations act for the support of the state government for the fiscal year ending June 30, 1976 (P.L. 1975, c.128)

A-3593 - Sponsored by Assemblyman Kenneth Gewertz, D-Gloucester, which transfers to the General State Fund amounts in the Unsatisfied Claim and Judgment Fund certified by the Board to exceed that necessary to meet pending claims and anticipated claims during the succeeding 12 months.

A-3609 - Sponsored by Assemblyman Kenneth Gewertz, D-Gloucester, which repeals P.L. 1952, c. 175, the Motor Vehicle Liability Security Fund Act, transferring all amounts remaining therein to the General State Fund.

A-3625 - Sponsored by Assemblyman George Barbour, D-Burlington, which increases realty transfer fee from \$.50 to \$1.75 per \$500 consideration with certain exemptions.

A-3627 - Sponsored by Assemblyman William Hamilton, D-Middlesex, increases the Unincorporated Business Tax to a rate of 3/8 of 1% for ending June 30, 1976.

\* A-3626 - SUBSTITUTED FOR S-3170

A-3628 - Sponsored by Assemblyman William Hamilton, D-Middlesex, which appropriates \$25,000,000 from Unincorporated Business Tax revenues for general state purposes.

A-3629 - Sponsored by Assemblyman Richard Codey, D-Essex, which revises motor vehicle registration fees; increases passenger automobile fees to \$15, \$24 and \$45 in place of present fees; increases commercial vehicle fees.

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