

39:3-8.3

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2006 **CHAPTER:** 39

NJSA: 39:3-8.3 (Establishes one-time supplemental titling fee on new luxury and fuel inefficient passenger automobiles)

BILL NO: A4707 (Substituted for S1988)

SPONSOR(S) Greenwald and Lesniak

DATE INTRODUCED: June 26, 2006

COMMITTEE: **ASSEMBLY:** Budget

SENATE:

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** July 8, 2006

SENATE: July 8, 2006

DATE OF APPROVAL: July 8, 2006

FOLLOWING ARE ATTACHED IF AVAILABLE:

[FINAL TEXT OF BILL](#) (1st reprint enacted)

A4707

[SPONSOR'S STATEMENT](#): (Begins on page 3 of original bill) [Yes](#)

COMMITTEE STATEMENT: **ASSEMBLY:** [Yes](#)

SENATE: No

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL NOTE: No

S1988

[SPONSOR'S STATEMENT](#): (Begins on page 3 of original bill) [Yes](#)

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: [Yes](#)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

RWH 3/27/08

P.L. 2006, CHAPTER 39, *approved July 8, 2006*
Assembly, No. 4707 (*First Reprint*)

1 AN ACT concerning the ¹**[registration of]** certificate of ownership
2 for¹ certain motor vehicles and supplementing chapter 3 of Title
3 39 of the Revised Statutes.

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

7
8 1. As used in this act:

9 “Environmental Protection Administration average fuel
10 efficiency rating” means the fuel efficiency rating for a particular
11 motor vehicle calculated by adding together the Environmental
12 Protection Administration’s city and highway miles per gallon
13 rating for that motor vehicle and dividing the resulting sum by two.

14 “Lease price” means the capitalized cost as stated in the
15 agreement between a lessor and a lessee.

16 “Sales price” means the gross selling price appearing on a
17 contract of sale.

18
19 2. a. In addition to the motor vehicle registration fees imposed
20 pursuant to the provisions of chapter 3 of Title 39 of the Revised
21 Statutes, the chief administrator shall ¹as a condition for the
22 issuance and filing of a certificate of ownership pursuant to
23 R.S.39:10-11,¹ impose and collect an additional fee ¹**[upon the**
24 **initial registration of]** for¹ any new passenger automobile having:

25 (1) A sales price or lease price of \$45,000 or more, prior to any
26 credit or offset of that sales price or lease price resulting from any
27 rebate or trade-in which lowers the price of the passenger
28 automobile to less than \$45,000, or

29 (2) An Environmental Protection Administration average fuel
30 efficiency rating of less than 19 miles per gallon.

31 b. The additional fee authorized under subsection a. of this
32 section shall be determined by multiplying the sales price or lease
33 price for the new passenger automobile, prior to any credit or offset
34 for any rebate or trade-in, by ¹**[one]** 0.4¹ percent. The fee imposed
35 under this section shall be separately stated on any bill, receipt,
36 invoice or similar document provided to the purchaser and shall not
37 be subject to the retail sales taxes imposed under the provisions of
38 the “Sales and Use Tax Act,” P.L.1966, c.30 (C.54:32B-1 et seq.).

39 c. In the case of a ¹new¹ passenger automobile purchased or
40 leased in New Jersey, the fee shall be collected by the person

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly ABU committee amendments adopted July 7, 2006.

1 required to collect the retail sales tax imposed on that motor vehicle
2 pursuant to subsection a. of section 3 of P.L.1966 (C.54:32B-3).
3 That person shall be personally liable for collecting, reporting and
4 remitting the fee in a manner prescribed by the chief administrator.

5 In the case of a ¹new¹ passenger automobile purchased or leased
6 in a jurisdiction other than New Jersey, the fee ¹【shall be collected
7 by the chief administrator when the owner or lessee first registers
8 the vehicle in New Jersey】 and any forms required by the chief
9 administrator shall be remitted directly to the chief administrator. If
10 the seller or lessor of the new passenger automobile in that other
11 jurisdiction is required to collect the retail sales tax imposed on that
12 motor vehicle pursuant to subsection a. of section 3 of P.L.1966,
13 c.30 (C.54:32B-3) and is authorized to apply for the issuance and
14 filing of a certificate of ownership pursuant to R.S.39:10-11, that
15 seller or lessor may collect, report and remit the fee in a manner
16 prescribed by the chief administrator¹.

17 d. The fee authorized under this section shall not be imposed on
18 the sale or lease of any new passenger automobile having a sale
19 price or lease price, as the case may be, over \$45,000 that:

20 (1) Has an Environmental Protection Administration average
21 fuel efficiency rating of 40 or more miles per gallon; or

22 (2) Is certified as a zero emission vehicle by the Commissioner
23 of Environmental Protection pursuant to the provisions of P.L.2003,
24 c.266 (C.26:2C-8.15 et al.).

25 e. The chief administrator, in accordance with the provisions of
26 the “Administrative Procedure Act,” P.L.1968, 410 (C.52:14B-1 et
27 seq.), shall promulgate rules and regulations to effectuate the
28 purposes of this act.

29

30 3. This act shall take effect immediately and shall apply to new
31 passenger automobiles ¹【first registered with the New Jersey Motor
32 Vehicle Commission】 for which the issuance and filing of a
33 certificate of ownership is required by the chief administrator¹ on or
34 after July 15, 2006.

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39 Establishes one-time supplemental titling fee on new luxury and
40 fuel inefficient passenger automobiles.

ASSEMBLY, No. 4707

STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED JUNE 26, 2006

Sponsored by:

Assemblyman LOUIS D. GREENWALD

District 6 (Camden)

SYNOPSIS

Establishes one-time supplemental registration fee on new luxury and fuel inefficient passenger automobiles.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the registration of certain motor vehicles and
2 supplementing chapter 3 of Title 39 of the Revised Statutes.

3

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

6

7 1. As used in this act:

8 “Environmental Protection Administration average fuel
9 efficiency rating” means the fuel efficiency rating for a particular
10 motor vehicle calculated by adding together the Environmental
11 Protection Administration’s city and highway miles per gallon
12 rating for that motor vehicle and dividing the resulting sum by two.

13 “Lease price” means the capitalized cost as stated in the
14 agreement between a lessor and a lessee.

15 “Sales price” means the gross selling price appearing on a
16 contract of sale.

17

18 2. a. In addition to the motor vehicle registration fees imposed
19 pursuant to the provisions of chapter 3 of Title 39 of the Revised
20 Statutes, the chief administrator shall impose and collect an
21 additional fee upon the initial registration of any new passenger
22 automobile having:

23 (1) A sales price or lease price of \$45,000 or more, prior to any
24 credit or offset of that sales price or lease price resulting from any
25 rebate or trade-in which lowers the price of the passenger
26 automobile to less than \$45,000, or

27 (2) An Environmental Protection Administration average fuel
28 efficiency rating of less than 19 miles per gallon.

29 b. The additional fee authorized under subsection a. of this
30 section shall be determined by multiplying the sales price or lease
31 price for the new passenger automobile, prior to any credit or offset
32 for any rebate or trade-in, by 1 percent. The fee imposed under this
33 section shall be separately stated on any bill, receipt, invoice or
34 similar document provided to the purchaser and shall not be subject
35 to the retail sales taxes imposed under the provisions of the “Sales
36 and Use Tax Act,” P.L.1966, c.30 (C.54:32B-1 et seq.).

37 c. In the case of a passenger automobile purchased or leased in
38 New Jersey, the fee shall be collected by the person required to
39 collect the retail sales tax imposed on that motor vehicle pursuant to
40 subsection a. of section 3 of P.L.1966 (C.54:32B-3). That person
41 shall be personally liable for collecting, reporting and remitting the
42 fee in a manner prescribed by the chief administrator.

43 In the case of a passenger automobile purchased or leased in a
44 jurisdiction other than New Jersey, the fee shall be collected by the
45 chief administrator when the owner or lessee first registers the
46 vehicle in New Jersey.

1 d. The fee authorized under this section shall not be imposed on
2 the sale or lease of any new passenger automobile having a sale
3 price or lease price, as the case may be, over \$45,000 that:

4 (1) Has an Environmental Protection Administration average
5 fuel efficiency rating of 40 or more miles per gallon; or

6 (2) Is certified as a zero emission vehicle by the Commissioner
7 of Environmental Protection pursuant to the provisions of P.L.2003,
8 c.266 (C.26:2C-8.15 et al.).

9 e. The chief administrator, in accordance with the provisions of
10 the "Administrative Procedure Act," P.L.1968, 410 (C.52:14B-1 et
11 seq.), shall promulgate rules and regulations to effectuate the
12 purposes of this act.

13

14 3. This act shall take effect immediately and shall apply to new
15 passenger automobiles first registered with the New Jersey Motor
16 Vehicle Commission on or after July 15, 2006.

17

18

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STATEMENT

20

21 This bill would establish a one-time supplemental registration
22 fee on new luxury and fuel inefficient passenger automobiles first
23 registered on and after July 15, 2006.

24 Under the provisions of this bill, newly purchased passenger
25 automobiles that have (1) a sale or lease price of \$45,000 or more,
26 or (2) an Environmental Protection Administration (EPA) average
27 fuel efficiency rating of less than 19 miles per gallon (calculated by
28 dividing the sum of the EPA's city and highway miles per gallon
29 ratings for the particular vehicle by two) would be subject to this
30 one-time registration fee. The amount of the fee is to be determined
31 by multiplying the sales or lease price of the new passenger
32 automobile by 1 percent. In the case of new passenger automobiles
33 purchased in New Jersey, the supplemental registration fee is to be
34 collected by the dealer or lessor and reported and remitted in a
35 manner prescribed by the chief administrator. In the case of new
36 luxury passenger automobiles purchased outside New Jersey, the
37 chief administrator would collect the fee at the time the new
38 automobile is first registered with the New Jersey Motor Vehicle
39 Commission.

40 "Passenger automobile" is defined in the motor vehicle statutes
41 as all automobiles used and designed for the transportation of
42 passengers, other than omnibuses and school buses.

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4707

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: JULY 7, 2006

The Assembly Budget Committee reports favorably Assembly Bill No. 4707, with committee amendments.

Assembly Bill No. 4707, as amended, would establish a one-time supplemental titling fee on new luxury and fuel inefficient passenger automobiles for which certificates of ownership are issued on and after July 15, 2006.

Under the provisions of this bill, newly purchased passenger automobiles that have (1) a sale or lease price of \$45,000 or more, or (2) an Environmental Protection Administration (EPA) average fuel efficiency rating of less than 19 miles per gallon (calculated by dividing the sum of the EPA's city and highway miles per gallon ratings for the particular vehicle by two) would be subject to this one-time titling fee. The amount of the fee is to be determined by multiplying the sales or lease price of the new passenger automobile by 0.4 percent. In the case of new passenger automobiles purchased in New Jersey, this supplemental titling fee is to be collected by the dealer or lessor and reported and remitted in a manner prescribed by the chief administrator. In the case of new luxury passenger automobiles purchased outside New Jersey, the forms and fees are to be directly remitted to the chief administrator. If the seller or lessor in that other jurisdiction is authorized to collect the New Jersey retail sales tax on the vehicle, that person may collect, report and remit the fee in the manner prescribed by the chief administrator.

"Passenger automobile" is defined in the motor vehicle statutes as all automobiles used and designed for the transportation of passengers, other than omnibuses and school buses.

This bill is identical to Senate No. 1988, as amended.

COMMITTEE AMENDMENTS:

The committee amended the bill to provide that the supplemental fee is a condition for the titling of these new luxury and fuel inefficient passenger automobiles rather than a requirement for their initial registration with the New Jersey Motor Vehicle Commission. Under

the provisions of the amendments, the Chief Administrator would not issue or file a certificate of ownership for any new luxury, fuel inefficient passenger automobile unless the supplemental fee authorized under this bill is paid.

The committee also amended the bill to change the percentage for determining the amount of the fee from one percent (1 %) to four-tenths of one percent (0.4 %).

FISCAL IMPACT:

The Executive Branch has estimated that the 0.4 percent surcharge on new luxury and fuel inefficient passenger automobiles will generate approximately \$25 million of revenue in State Fiscal Year 2006-2007.

SENATE, No. 1988

STATE OF NEW JERSEY
212th LEGISLATURE

INTRODUCED JUNE 26, 2006

Sponsored by:
Senator RAYMOND J. LESNIAK
District 20 (Union)

SYNOPSIS

Establishes one-time supplemental registration fee on new luxury and fuel inefficient passenger automobiles.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the registration of certain motor vehicles and
2 supplementing chapter 3 of Title 39 of the Revised Statutes.

3

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

6

7 1. As used in this act:

8 “Environmental Protection Administration average fuel
9 efficiency rating” means the fuel efficiency rating for a particular
10 motor vehicle calculated by adding together the Environmental
11 Protection Administration’s city and highway miles per gallon
12 rating for that motor vehicle and dividing the resulting sum by two.

13 “Lease price” means the capitalized cost as stated in the
14 agreement between a lessor and a lessee.

15 “Sales price” means the gross selling price appearing on a
16 contract of sale.

17

18 2. a. In addition to the motor vehicle registration fees imposed
19 pursuant to the provisions of chapter 3 of Title 39 of the Revised
20 Statutes, the chief administrator shall impose and collect an
21 additional fee upon the initial registration of any new passenger
22 automobile having:

23 (1) A sales price or lease price of \$45,000 or more, prior to any
24 credit or offset of that sales price or lease price resulting from any
25 rebate or trade-in which lowers the price of the passenger
26 automobile to less than \$45,000, or

27 (2) An Environmental Protection Administration average fuel
28 efficiency rating of less than 19 miles per gallon.

29 b. The additional fee authorized under subsection a. of this
30 section shall be determined by multiplying the sales price or lease
31 price for the new passenger automobile, prior to any credit or offset
32 for any rebate or trade-in, by one percent. The fee imposed under
33 this section shall be separately stated on any bill, receipt, invoice or
34 similar document provided to the purchaser and shall not be subject
35 to the retail sales taxes imposed under the provisions of the “Sales
36 and Use Tax Act,” P.L.1966, c.30 (C.54:32B-1 et seq.).

37 c. In the case of a passenger automobile purchased or leased in
38 New Jersey, the fee shall be collected by the person required to
39 collect the retail sales tax imposed on that motor vehicle pursuant to
40 subsection a. of section 3 of P.L.1966 (C.54:32B-3). That person
41 shall be personally liable for collecting, reporting and remitting the
42 fee in a manner prescribed by the chief administrator.

43 In the case of a passenger automobile purchased or leased in a
44 jurisdiction other than New Jersey, the fee shall be collected by the
45 chief administrator when the owner or lessee first registers the
46 vehicle in New Jersey.

1 d. The fee authorized under this section shall not be imposed on
2 the sale or lease of any new passenger automobile having a sale
3 price or lease price, as the case may be, over \$45,000 that:

4 (1) Has an Environmental Protection Administration average
5 fuel efficiency rating of 40 or more miles per gallon; or

6 (2) Is certified as a zero emission vehicle by the Commissioner
7 of Environmental Protection pursuant to the provisions of P.L.2003,
8 c.266 (C.26:2C-8.15 et al.).

9 e. The chief administrator, in accordance with the provisions of
10 the "Administrative Procedure Act," P.L.1968, 410 (C.52:14B-1 et
11 seq.), shall promulgate rules and regulations to effectuate the
12 purposes of this act.

13

14 3. This act shall take effect immediately and shall apply to new
15 passenger automobiles first registered with the New Jersey Motor
16 Vehicle Commission on or after July 15, 2006.

17

18

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STATEMENT

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21 This bill would establish a one-time supplemental registration
22 fee on new luxury and fuel inefficient passenger automobiles first
23 registered on and after July 15, 2006.

24 Under the provisions of this bill, newly purchased passenger
25 automobiles that have (1) a sale or lease price of \$45,000 or more,
26 or (2) an Environmental Protection Administration (EPA) average
27 fuel efficiency rating of less than 19 miles per gallon (calculated by
28 dividing the sum of the EPA's city and highway miles per gallon
29 ratings for the particular vehicle by two) would be subject to this
30 one-time registration fee. The amount of the fee is to be determined
31 by multiplying the sales or lease price of the new passenger
32 automobile by one percent. In the case of new passenger
33 automobiles purchased in New Jersey, this supplemental
34 registration fee is to be collected by the dealer or lessor and
35 reported and remitted in a manner prescribed by the chief
36 administrator. In the case of new luxury passenger automobiles
37 purchased outside New Jersey, the chief administrator would collect
38 the fee at the time that new automobile is first registered with the
39 New Jersey Motor Vehicle Commission.

40 "Passenger automobile" is defined in the motor vehicle statutes
41 as all automobiles used and designed for the transportation of
42 passengers, other than omnibuses and school buses.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 1988

with committee amendments

STATE OF NEW JERSEY

DATED: JULY 7, 2006

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 1988.

Senate Bill No. 1988, as amended, will establish a one-time supplemental titling fee on new luxury, and fuel inefficient, passenger automobiles for which certificates of ownership are issued on and after July 15, 2006.

Under the provisions of this bill, newly purchased passenger automobiles that have (1) a sale or lease price of \$45,000 or more, or (2) an Environmental Protection Administration (EPA) average fuel efficiency rating of less than 19 miles per gallon (calculated by dividing the sum of the EPA's city and highway miles per gallon ratings for the particular vehicle by two) will be subject to this one-time titling fee. The amount of the fee will be determined by multiplying the sales or lease price of the new passenger automobile by 0.4 percent. In the case of new passenger automobiles purchased in New Jersey, this supplemental titling fee is to be collected by the dealer or lessor and reported and remitted in a manner prescribed by the chief administrator. In the case of new passenger automobiles purchased outside New Jersey, the forms and fees are to be directly remitted to the chief administrator. If the seller or lessor in that other jurisdiction is authorized to collect the New Jersey retail sales tax on the vehicle, that person may collect, report and remit the fee in the manner prescribed by the chief administrator.

"Passenger automobile" is defined in the motor vehicle statutes as all automobiles used and designed for the transportation of passengers, other than omnibuses and school buses.

As amended and reported, this bill is identical to Assembly Bill No. 4707 (Aca).

COMMITTEE AMENDMENTS:

The committee amendments provide that the supplemental fee is a condition for the titling of these new luxury and new, fuel inefficient passenger automobiles rather than a requirement for their initial registration with the New Jersey Motor Vehicle Commission. The

amendments provide that the Chief Administrator will not issue or file a certificate of ownership for any new luxury, or new, fuel inefficient passenger automobile unless the supplemental fee authorized under this bill is paid.

The committee also amended the bill to change the percentage for determining the amount of the fee from one percent (1 %) to four-tenths of one percent (0.4 %).

FISCAL IMPACT:

The Executive Branch has estimated that the 0.4 percent surcharge on new luxury and fuel inefficient passenger automobiles will generate approximately \$25 million of revenue in State Fiscal Year 2006-2007.