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RWH 3/5/08

P.L. 2006, CHAPTER 42, *approved July 8, 2006*
Assembly, No. 4715 (*First Reprint*)

1 AN ACT increasing the \$2 per day rental motor vehicle surcharge to
2 '[\$4] \$5¹ per day and amending P.L.2002, c.34.

3

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

6

7 1. Section 54 of P.L.2002, c.34 (C.App.A:9-78) is amended to
8 read as follows:

9 54. a. As used in this section:

10 "Rental company" means a person engaged in the business of
11 renting motor vehicles.

12 "Rental motor vehicle" means a passenger automobile, truck or
13 semitrailer that is rented without a driver and used in the
14 transportation of persons or property other than commercial freight.

15 b. Each rental company doing business in this State shall pay a
16 fee for each rental motor vehicle that the company shall have rented
17 from a location in this State under the terms of a rental agreement
18 for a period of not more than 28 days. The amount of the fee shall
19 be [\$2] '[\$4] \$5¹ for each day or part thereof that each such
20 vehicle was rented. The fee shall be separately stated to the person
21 to whom the motor vehicle is rented and shall not be included in the
22 receipts subject to the taxes imposed pursuant to the "Sales and Use
23 Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

24 The director of the Division of Taxation in the Department of the
25 Treasury shall collect and administer the fee; in so doing, the
26 director shall have all the powers granted pursuant to P.L.1966, c.30
27 (C.54:32B-1 et seq.). The director may, pursuant to the provisions
28 of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
29 1 et seq.), make, adopt, amend or repeal such rules and regulations
30 as the director finds necessary to carry out the provisions of this
31 subsection.

32 c. There is established in the General Fund the New Jersey
33 Domestic Security Account, which shall be a dedicated nonlapsing
34 account. Amounts paid to the State Treasurer from the first \$2 of
35 the fee for each day or part thereof that a rental motor vehicle was
36 rented pursuant to subsection b. of this section shall be deposited
37 into the account upon receipt. Moneys in the account, including
38 interest thereon, shall be available exclusively for appropriation to
39 support medical emergency disaster preparedness for bioterrorism,
40 security coverage at nuclear power facilities, State Police salaries
41 related to Statewide security services, and counter-terrorism
42 programs.

43 (cf: P.L.2002, c.34, s.54)

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.

A4715 [1R]

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1 2. This act shall take effect immediately.

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6 _____
7 Increases rental motor vehicle surcharge from \$2 per day to \$5
per day.

ASSEMBLY, No. 4715

STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED JUNE 26, 2006

Sponsored by:

Assemblyman JOHN J. BURZICHELLI

District 3 (Salem, Cumberland and Gloucester)

SYNOPSIS

Increases rental motor vehicle surcharge from \$2 per day to \$4 per day.

CURRENT VERSION OF TEXT

As introduced.



A4715 BURZICHELLI

2

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2 \$4 per day and amending P.L.2002, c.34.

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14 transportation of persons or property other than commercial freight.

15 b. Each rental company doing business in this State shall pay a
16 fee for each rental motor vehicle that the company shall have rented
17 from a location in this State under the terms of a rental agreement
18 for a period of not more than 28 days. The amount of the fee shall
19 be **[\$2]** \$4 for each day or part thereof that each such vehicle was
20 rented. The fee shall be separately stated to the person to whom the
21 motor vehicle is rented and shall not be included in the receipts
22 subject to the taxes imposed pursuant to the "Sales and Use Tax
23 Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

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25 Treasury shall collect and administer the fee; in so doing, the
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30 as the director finds necessary to carry out the provisions of this
31 subsection.

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33 Domestic Security Account, which shall be a dedicated nonlapsing
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35 the fee for each day or part thereof that a rental motor vehicle was
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38 interest thereon, shall be available exclusively for appropriation to
39 support medical emergency disaster preparedness for bioterrorism,
40 security coverage at nuclear power facilities, State Police salaries
41 related to Statewide security services, and counter-terrorism
42 programs.

43 (cf: P.L.2002, c.34, s.54)

44

45 2. This act shall take effect immediately.

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.

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STATEMENT

This bill would raise the surcharge on motor vehicle rentals from \$2 per day to \$4 per day. The Governor's Fiscal Year 2007 Budget anticipates \$23.5 million in revenues from the current \$2 per day surcharge, which revenues are statutorily dedicated to certain purposes. While leaving the statutory dedication of the first \$2 per day surcharge intact, the bill's additional revenue would support the State General Fund.

Section 54 of P.L.2002, c.34 (C.App.A:9-78) currently requires the Director of the Division of Taxation to collect a \$2 per day surcharge on motor vehicle rentals and to place the proceeds in the New Jersey Domestic Security Account. The dedicated revenues are intended to exclusively support medical emergency disaster preparedness for bioterrorism, security coverage at nuclear facilities, State Police salaries related to Statewide security services, and counter-terrorism programs.

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4715

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: JULY 7, 2006

The Assembly Budget Committee reports favorably Assembly Bill No. 4715, with committee amendments.

Assembly Bill No. 4715, as amended, raises the surcharge on motor vehicle rentals from \$2 per day to \$5 per day. While leaving the statutory dedication of the first \$2 per day surcharge intact, the bill's additional revenue would support the State General Fund.

Section 54 of P.L.2002, c.34 (C.App.A:9-78) currently requires the Director of the Division of Taxation to collect a \$2 per day surcharge on motor vehicle rentals and to place the proceeds in the New Jersey Domestic Security Account. The dedicated revenues are intended to exclusively support medical emergency disaster preparedness for bioterrorism, security coverage at nuclear facilities, State Police salaries related to Statewide security services, and counter-terrorism programs.

FISCAL IMPACT:

The Governor's Fiscal Year 2007 Budget anticipates \$23.5 million from the current \$2 surcharge. This bill increases the amount expected by \$35.25, for a total of \$58.75 million. The additional surcharge is deposited in the General Fund.

COMMITTEE AMENDMENTS:

The amendments increase the raised surcharge from \$4 to \$5.

SENATE, No. 1999

STATE OF NEW JERSEY 212th LEGISLATURE

INTRODUCED JUNE 26, 2006

Sponsored by:

Senator WAYNE R. BRYANT

District 5 (Camden and Gloucester)

SYNOPSIS

Increases rental motor vehicle surcharge from \$2 per day to \$4 per day.

CURRENT VERSION OF TEXT

As introduced.



S1999 BRYANT

2

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2 \$4 per day and amending P.L.2002, c.34.

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45 2. This act shall take effect immediately.

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S1999 BRYANT

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STATEMENT

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SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 1999

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. 1999.

Senate Bill No.1999, as amended, raises the surcharge on motor vehicle rentals from \$2 per day to \$5 per day. While leaving the statutory dedication of the first \$2 per day surcharge intact, the bill's additional revenue would support the State General Fund.

Section 54 of P.L.2002, c.34 (C.App.A:9-78) currently requires the Director of the Division of Taxation to collect a \$2 per day surcharge on motor vehicle rentals and to place the proceeds in the New Jersey Domestic Security Account. The dedicated revenues are intended to exclusively support medical emergency disaster preparedness for bioterrorism, security coverage at nuclear facilities, State Police salaries related to Statewide security services, and counter-terrorism programs.

COMMITTEE AMENDMENTS:

The amendments increase the raised surcharge from \$4 to \$5.

FISCAL IMPACT:

The Governor's Fiscal Year 2007 Budget anticipates \$23.5 million from the current \$2 surcharge. This bill increases the amount expected by \$35.25 million, for a total of \$58.75 million. The additional surcharge is deposited in the General Fund.