

54:10A-3

LEGISLATIVE FACT SHEET

ON (Corp. Business Tax Act - Agric. co-operative exemptions)

H.J.R.S. 54:10A-3

(1968 Amendment)

LAWS OF 1968

CHAPTER 377 12/27/68

SENATE 874

ASSEMBLY

INTRODUCED June 20, 1968

BY Kay, Dumont and White

STATEMENT

YES

NO

AMENDED DURING PASSAGE

YES

NO

HEARING

VETO

STATEMENT to 5374

This bill is intended to clarify the tax-exempt status under the Corporation Business Tax of certain agricultural co-operative associations which were made eligible for exemption by an amendment to said act enacted as chapter 174 of the laws of 1960, but which erroneously remained incorporated under Title 14 instead of Title 4. These associations have subsequently been transferred from Title 14 status to Title 4 status. This bill would remove the threat of possible liability from these associations for the unpaid tax accruing during the period in which the associations erroneously continued under Title 14. Except for being incorporated under the wrong Title, these associations were otherwise fully qualified for the exemption established by chapter 174 of the laws of 1960.

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CHAPTER 377 LAWS OF N. J. 1968

APPROVED 12/27/68

SENATE, No. 874

STATE OF NEW JERSEY

INTRODUCED JUNE 20, 1968

By Senators KAY, DUMONT and WHITE

(Without Reference)

A SUPPLEMENT to the "Corporation Business Tax Act (1945)," approved April 13, 1945 (P. L. 1945, c. 162, C. 54:10A-1 et seq.).

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

1 1. Any agricultural co-operative association which would have
2 been eligible for exemption from taxation under the Corporation
3 Business Tax Act (1945), pursuant to section 3 of said act as
4 amended by P. L. 1960, chapter 174 (C. 54:10A-3), if incorporated
5 under chapter 13 of Title 4 of the Revised Statutes, but which was
6 instead incorporated under Title 14 of the Revised Statutes, shall
7 not be held liable for any unpaid taxes which might be deemed to
8 have accrued solely because the said association was erroneously
9 incorporated under Title 14 of the Revised Statutes.

1 2. This act shall be applicable only to agricultural co-operative
2 associations which were in existence on January 10, 1961, and which
3 prior to January 1, 1968, have become subject to the provisions of
4 chapter 13 of Title 4 of the Revised Statutes in accordance with
5 the provisions of Revised Statutes 4:13-13 or 4:13-15 and only for
6 such period as an association was otherwise eligible for exemption
7 from taxation under said section 3 of the Corporation Business
8 Tax Act (1945) as amended by P. L. 1960, c. 174 (C. 54:10A-3).

1 3. This act shall take effect immediately.

STATEMENT

This bill is intended to clarify the tax-exempt status under the Corporation Business Tax of certain agricultural co-operative associations which were made eligible for exemption by an amendment to said act enacted as chapter 174 of the laws of 1960, but which erroneously remained incorporated under Title 14 instead of Title 4. These associations have subsequently been transferred

from Title 14 status to Title 4 status. This bill would remove the threat of possible liability from these associations for the unpaid tax accruing during the period in which the associations erroneously continued under Title 14. Except for being incorporated under the wrong Title, these associations were otherwise fully qualified for the exemption established by chapter 174 of the laws of 1960.