

# 54:53-19

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2009 **CHAPTER:** 21

**NJSA:** 54:53-19 (Requires the Director of the Division of Taxation to establish a 45-day State tax amnesty period that ends no later than June 15, 2009)

**BILL NO:** A3819 (Substituted for S2678)

**SPONSOR(S):** Greenwald and others

**DATE INTRODUCED:** March 5, 2009

**COMMITTEE:** **ASSEMBLY:** Budget

**SENATE:**

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE:** **ASSEMBLY:** March 16, 2009

**SENATE:** March 16, 2009

**DATE OF APPROVAL:** March 17, 2009

**FOLLOWING ARE ATTACHED IF AVAILABLE:**

**FINAL TEXT OF BILL** (First reprint enacted)

**A3819**

**SPONSOR'S STATEMENT:** (Begins on page 3 of original bill) Yes

**COMMITTEE STATEMENT:** **ASSEMBLY:** Yes

**SENATE:** No

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at [www.njleg.state.nj.us](http://www.njleg.state.nj.us))

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL NOTE:** Yes

**S2678**

**SPONSOR'S STATEMENT:** (Begins on page 3 of original bill) Yes

**COMMITTEE STATEMENT:** **ASSEMBLY:** No

**SENATE:** Yes

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL NOTE:** Yes

(continued)

**VETO MESSAGE:** No

**GOVERNOR'S PRESS RELEASE ON SIGNING:** No

**FOLLOWING WERE PRINTED:**

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**REPORTS:** No

**HEARINGS:** No

**NEWSPAPER ARTICLES:** No

LAW

[First Reprint]

**ASSEMBLY, No. 3819**

**STATE OF NEW JERSEY**

**213th LEGISLATURE**

INTRODUCED MARCH 5, 2009

**Sponsored by:**

**Assemblyman LOUIS D. GREENWALD**

**District 6 (Camden)**

**Assemblyman PATRICK J. DIEGNAN, JR.**

**District 18 (Middlesex)**

**Assemblywoman ELEASE EVANS**

**District 35 (Bergen and Passaic)**

**Co-Sponsored by:**

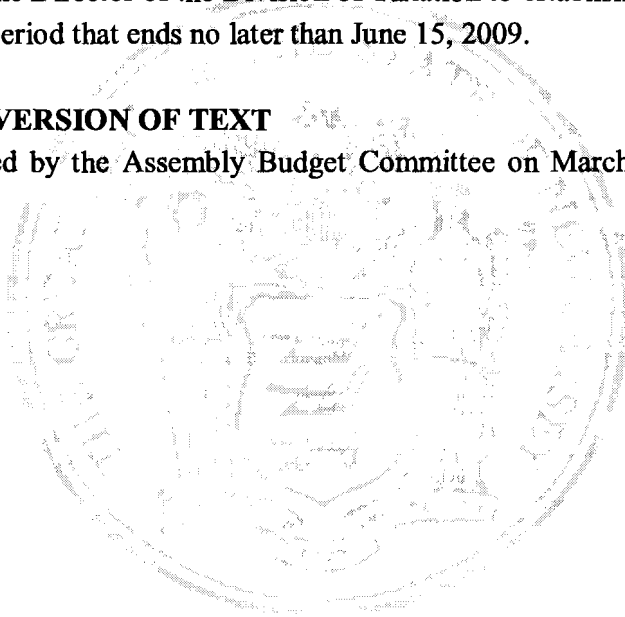
**Assemblywoman Rodriguez, Senators Buono and Sweeney**

**SYNOPSIS**

Requires the Director of the Division of Taxation to establish a 45-day State tax amnesty period that ends no later than June 15, 2009.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Budget Committee on March 9, 2009, with amendments.



**(Sponsorship Updated As Of: 3/17/2009)**

1 AN ACT providing for a State tax amnesty period, supplementing  
2 Title 54 of the Revised Statutes and making an appropriation.

3  
4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6  
7 1. a. In addition to the powers of the Director of the Division  
8 of Taxation prescribed under the State Uniform Tax Procedure Law,  
9 R.S.54:48-1 et seq., and notwithstanding the provision of any other  
10 law to the contrary, the director shall establish a period not to  
11 exceed 45 days in duration, which period shall end no later than  
12 June 15, 2009, during which a taxpayer who has failed to pay any  
13 State tax on or before the day on which the tax is required to be  
14 paid may pay to the director on or before the last day of the period  
15 established by the director the amount of that tax <sup>1</sup>[, including] and  
16 one-half of the balance of<sup>d</sup> interest <sup>1</sup>[and cost of collection as set  
17 forth in section 8 of P.L.1987, c.76 (C.54:49-12.1)] that is due as  
18 of May 1, 2009, but without the remaining one-half of the balance  
19 of interest that is due as of May 1, 2009<sup>1</sup>, without the recovery fee  
20 as set forth in section 2 of P.L.1992, c.172 (C.54:49-12.3) that may  
21 otherwise be due, and without the imposition of any civil or  
22 criminal penalties arising out of an obligation imposed under any  
23 State tax law. This section shall apply only to State tax liabilities  
24 for tax returns due on or after January 1, 2002 and prior to February  
25 1, 2009 and shall not extend to any taxpayer who at the time of  
26 payment is under criminal investigation or charge for any State tax  
27 matter, as certified by a county prosecutor or the Attorney General  
28 to the director.

29 Notwithstanding the provisions of any other law to the contrary,  
30 no taxpayer shall be entitled to a waiver of <sup>1</sup>one-half of the balance  
31 of interest due as of May 1, 2009,<sup>1</sup> penalty and recovery fee  
32 pursuant to this subsection unless full payment of the tax <sup>1</sup>and one-  
33 half of the balance of interest<sup>d</sup> due <sup>1</sup>as of May 1, 2009<sup>1</sup> is made in  
34 accordance with the rules and procedures established by the  
35 director.

36 b. There shall be imposed a 5% penalty, which shall not be  
37 subject to waiver or abatement, in addition to all other penalties,  
38 interest, or costs of collection otherwise authorized by law, upon  
39 any State tax liabilities eligible to be satisfied during the period  
40 established pursuant to subsection a. of this section that are not  
41 satisfied during the amnesty period.

42 c. Notwithstanding the provisions of any other law to the  
43 contrary, if a taxpayer elects to participate in the program  
44 established pursuant to this section, as that election shall be

**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:

<sup>1</sup>Assembly ABU committee amendments adopted March 9, 2009.

1 evidenced by full payment pursuant to this section of a State tax  
2 liability to which this section applies pursuant to subsection a. of  
3 this section, then that election shall constitute an express and  
4 absolute relinquishment of all administrative and judicial rights of  
5 appeal that have not run or otherwise expired as of the date payment  
6 is made. The relinquishment of rights of appeal pursuant to this  
7 subsection shall apply with respect to all rights of appeal  
8 established pursuant to the State Uniform Tax Procedure Law,  
9 R.S.54:48-1 et seq., and the specific statutory provisions of any  
10 State tax. No tax payment made pursuant to this section shall be  
11 eligible for refund or credit, whether claimed by administrative  
12 protest or judicial appeal.

13 d. Notwithstanding the provisions of any other law to the  
14 contrary, no amnesty payment shall be accepted without the express  
15 approval of the director with respect to any State tax assessment  
16 which is the subject of any administrative or judicial appeal as of  
17 the effective date of this act.

18 e. Notwithstanding any provision of the "Administrative  
19 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the  
20 contrary, the director may adopt immediately upon filing with the  
21 Office of Administrative Law such regulations as the director  
22 deems necessary to implement the provisions of this section, which  
23 regulations shall be effective for a period not to exceed 180 days  
24 following the date of enactment of P.L. , c. (C. ) (pending  
25 before the Legislature as this bill) and may thereafter be amended,  
26 adopted, or readopted by the director in accordance with the  
27 "Administrative Procedure Act," P.L. 1968, c. 410 (C. 52:14B-1 et  
28 seq.).

29

30 2. There is appropriated to the Division of Taxation in the  
31 Department of the Treasury a sum not to exceed \$10,000,000 from  
32 the proceeds collected pursuant to subsection a. of section 1 of this  
33 act to carry out and administer the tax amnesty program established  
34 pursuant to the provisions of that section.

35

36 3. This act shall take effect immediately.

# ASSEMBLY BUDGET COMMITTEE

## STATEMENT TO

### **ASSEMBLY, No. 3819**

with Assembly committee amendments

# **STATE OF NEW JERSEY**

DATED: MARCH 9, 2009

The Assembly Budget Committee reports favorably Assembly Bill No. 3819, with committee amendments.

The bill, as amended, requires the Director of the Division of Taxation to establish a 45-day State tax amnesty period, to end no later than June 15, 2009. The amnesty shall apply only to State tax liabilities for tax returns due on and after January 1, 2002 (the day following termination of the most recent amnesty period) and before February 1, 2009. During the amnesty period, a taxpayer who has failed to pay a State tax can pay the tax and one-half of the balance of interest that is due as of May 1, 2009, without the imposition of the remaining one-half of the balance of interest that is due as of May 1, 2009, recovery fees, civil penalties and criminal penalties arising out of the late payment. The amnesty is not available to a taxpayer who, at the time of payment, is under criminal investigation or charge for any State tax matter.

If a taxpayer eligible for the amnesty fails during the amnesty period to pay taxes owed, that taxpayer shall be subject to a five percent penalty which may not be waived or abated. The five percent penalty shall be in addition to all other penalties, interest, or collection costs otherwise authorized by law.

The bill also appropriates a sum not to exceed \$10.0 million of the proceeds collected through the amnesty period for the costs incurred to carry out and administer the program.

As amended by the committee, this bill is identical to Senate Bill No. 2678 Sca.

#### FISCAL IMPACT:

The State Treasurer estimates that the tax amnesty program will raise \$100.0 million in FY 2009. Past experiences with amnesty programs have yielded a wide range of revenue collections. New Jersey's 1987 tax amnesty generated \$187.0 million in gross revenue, yielding \$68.0 million in additional net revenues that would otherwise not have been collected. The 1996 amnesty program which was originally estimated to bring in \$70.0 million, actually generated \$359

million in gross revenue, or a net State increase of \$244.0 million, after accounting for about \$115.0 million which the Department of the Treasury estimated would have been collected by tax compliance efforts under normal circumstances. The 2002 amnesty program was initially estimated to bring in \$150.0 million, but generated a gross increase in State revenues of \$277.0 million, although no estimate of the net impact was made.

The bill appropriates up to \$10.0 million of amnesty proceeds to carry out and administer the program. The 1996 amnesty legislation also appropriated up to \$10.0 million for these purposes, and a reported \$7.8 million was expended. The 2002 program appropriated up to \$7.0 million, but the OLS has no information on actual expenditures.

COMMITTEE AMENDMENTS:

The committee amendments expand the amnesty period's waiver provisions to include forgiveness for one-half of the balance of interest that is due as of May 1, 2009.

**FISCAL NOTE**  
[First Reprint]  
**ASSEMBLY, No. 3819**  
**STATE OF NEW JERSEY**  
**213th LEGISLATURE**

DATED: APRIL 2, 2009

**SUMMARY**

- Synopsis:** Requires the Director of the Division of Taxation to establish a 45-day State tax amnesty period that ends no later than June 15, 2009.
- Type of Impact:** Increase in State revenues to various funds.
- Agencies Affected:** Department of the Treasury.

**Executive Estimate**

<b>Fiscal Impact</b>	<b><u>FY 2009</u></b>
<b>State Revenue</b>	\$100,000,000

- The Office of Legislative Services (OLS) believes the Treasurer's estimate that the tax amnesty program would raise \$100.0 million in FY 2009 is not unreasonable, but notes that data are lacking for a confident forecast. The OLS has no independent data on how much outstanding individual or corporate taxpayer liabilities remain delinquent, and has received no supporting data for the Treasurer's estimate. Previous amnesties have exceeded the initial revenue estimate.
- The OLS notes that the bill appropriates up to \$10.0 million of amnesty proceeds to carry out and administer the program.

**BILL DESCRIPTION**

Assembly Bill No. 3819 (1R) of 2009 requires the Director of the Division of Taxation to establish a 45-day State tax amnesty period, to end no later than June 15, 2009. The amnesty shall apply only to State tax liabilities for tax returns due on and after January 1, 2002 (the day following termination of the most recent amnesty period) and before February 1, 2009. During the amnesty period, a taxpayer who has failed to pay a State tax can pay the tax and one-half of the balance of interest due without the imposition of recovery fees, civil penalties and criminal



penalties arising out of the late payment. The amnesty is not available to a taxpayer who, at the time of payment, is under criminal investigation or charge for any State tax matter.

If a taxpayer eligible for the amnesty fails during the amnesty period to pay taxes owed and one-half of the balance of interest due, that taxpayer shall be subject to a five percent penalty which may not be waived or abated. The five percent penalty shall be in addition to all other penalties, interest, or collection costs otherwise authorized by law.

## FISCAL ANALYSIS

### *EXECUTIVE BRANCH*

The Treasurer indicated in a Budget update document released on February 17, 2009, that the tax amnesty program would raise \$100.0 million in Fiscal Year 2009. No other supporting documents have been provided at this time.

### *OFFICE OF LEGISLATIVE SERVICES*

The OLS believes the Treasurer's estimate that the tax amnesty program would raise \$100.0 million in FY 2009 is not unreasonable, but notes that data are lacking for a confident forecast. The OLS has no independent data on how much outstanding individual or corporate taxpayer liabilities remain delinquent, and has received no supporting data for the Treasurer's estimate. Previous amnesties have exceeded the initial revenue estimate.

As with any tax amnesty program, the net revenue impact will be determined by the balance between new tax revenues that are attracted through the amnesty offer and the revenue losses resulting from the forgiveness of interest and penalties owed by taxpayers who would otherwise have made full payment through the State's current tax compliance efforts, either during the amnesty payment period or at a later date. In addition, an amnesty may generate new recurring revenues to the extent that certain taxpayers are added to the taxpayer rolls.

Past experiences with amnesty programs have yielded a wide range of revenue collections. New Jersey's 1987 tax amnesty generated \$187.0 million in gross revenue, yielding \$68.0 million in additional net revenues that would otherwise not have been collected. The 1996 amnesty program was originally estimated to bring in \$70.0 million, actually generated \$359 million in gross revenue, or a net State increase of \$244.0 million, after accounting for about \$115.0 million which the Department of the Treasury estimated would have been collected by tax compliance efforts under normal circumstances. The 2002 amnesty program was initially estimated to bring in \$150.0 million, but generated a gross increase in State revenues of \$277.0 million, although no estimate of the net impact was made.

Most of the previous amnesty receipts came from the State's three largest tax revenues: the gross income tax, the sales tax, and the corporation business tax. In the 1996 program, 27 percent of collections came through the income tax, 39 percent through the sales tax, and another 27 percent through the corporation business tax. In the 2002 program, 29 percent of collections came through the income tax, 29 percent through the sales tax, and another 34 percent through the corporation business tax.

Since the last amnesty program, economic growth and tax rate increases have expanded the base from which tax delinquencies can be drawn. Total State revenue grew by about 58 percent between FY 2002 and FY 2008. The tax amnesty under this bill covers a seven year time period, compared to six years in the 2002 program and nine years in the 1996 program. This program

would run for 45 days, fewer than the 60 days and 90 days respectively for the prior amnesties. The OLS also notes that economic conditions may influence the ability of tax delinquents to pay the State. The current national economic downturn, being compared by many analysts to the Great Depression, may limit the number of individuals and businesses able to make tax amnesty payments.

Lastly, the OLS notes that the bill appropriates up to \$10.0 million of amnesty proceeds to carry out and administer the program. The 1996 amnesty legislation also appropriated up to \$10.0 million for these purposes, and a reported \$7.8 million was expended. The 2002 program appropriated up to \$7.0 million, but the OLS has no information on actual expenditures.

*Section: Revenue, Finance and Appropriations*  
*Analyst: Martin Poethke*  
*Lead Fiscal Analyst*  
*Approved: David J. Rosen*  
*Legislative Budget and Finance Officer*

This fiscal note has been prepared pursuant to P.L.1980, c.67 (C.52:13B-1 et seq.).

1 State tax. No tax payment made pursuant to this section shall be  
2 eligible for refund or credit, whether claimed by administrative  
3 protest or judicial appeal.

4 d. Notwithstanding the provisions of any other law to the  
5 contrary, no amnesty payment shall be accepted without the express  
6 approval of the director with respect to any State tax assessment  
7 which is the subject of any administrative or judicial appeal as of  
8 the effective date of this act.

9 e. Notwithstanding any provision of the "Administrative  
10 Procedure Act," P.L. 1968, c. 410 (C. 52:14B-1 et seq.) to the  
11 contrary, the director may adopt immediately upon filing with the  
12 Office of Administrative Law such regulations as the director  
13 deems necessary to implement the provisions of this section, which  
14 regulations shall be effective for a period not to exceed 180 days  
15 following the date of enactment of P.L. , c. (C. ) (pending  
16 before the Legislature as this bill) and may thereafter be amended,  
17 adopted, or readopted by the director in accordance with the  
18 "Administrative Procedure Act," P.L. 1968, c. 410 (C. 52:14B-1 et  
19 seq.).

20

21 2. There is appropriated to the Division of Taxation in the  
22 Department of the Treasury a sum not to exceed \$10,000,000 from  
23 the proceeds collected pursuant to subsection a. of section 1 of this  
24 act to carry out and administer the tax amnesty program established  
25 pursuant to the provisions of that section.

26

27 3. This act shall take effect immediately.

28

29

30 SPONSORS' STATEMENT

31

32 The bill requires the Director of the Division of Taxation to  
33 establish a 45-day State tax amnesty period, to end no later than  
34 June 15, 2009. The amnesty shall apply only to State tax liabilities  
35 for tax returns due on and after January 1, 2002 (the day following  
36 termination of the most recent amnesty period) and before February  
37 1, 2009. During the amnesty period, a taxpayer who has failed to  
38 pay a State tax can pay the tax, interest due and costs of collection  
39 without the imposition of recovery fees, civil penalties and criminal  
40 penalties arising out of the late payment. The amnesty is not  
41 available to a taxpayer who, at the time of payment, is under  
42 criminal investigation or charge for any State tax matter.

43 If a taxpayer eligible for the amnesty fails during the amnesty  
44 period to pay taxes owed, that taxpayer shall be subject to a five  
45 percent penalty which may not be waived or abated. The five  
46 percent penalty shall be in addition to all other penalties, interest, or  
47 collection costs otherwise authorized by law.

**A3819 GREENWALD, DIEGNAN**

4

- 1       The bill also appropriates a sum not to exceed \$10.0 million of
- 2       the proceeds collected through the amnesty period for the costs
- 3       incurred to carry out and administer the program.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### **SENATE, No. 2678**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: MARCH 9, 2009

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2678, with committee amendments.

The bill, as amended, requires the Director of the Division of Taxation to establish a 45-day State tax amnesty period, to end no later than June 15, 2009. The amnesty shall apply only to State tax liabilities for tax returns due on and after January 1, 2002 (the day following termination of the most recent amnesty period) and before February 1, 2009. During the amnesty period, a taxpayer who has failed to pay a State tax can pay the tax and one-half of the balance of interest that is due as of May 1, 2009, without the imposition of the remaining one-half of the balance of interest that is due as of May 1, 2009, recovery fees, civil penalties and criminal penalties arising out of the late payment. The amnesty is not available to a taxpayer who, at the time of payment, is under criminal investigation or charge for any State tax matter.

If a taxpayer eligible for the amnesty fails during the amnesty period to pay taxes owed, that taxpayer shall be subject to a five percent penalty which may not be waived or abated. The five percent penalty shall be in addition to all other penalties, interest, or collection costs otherwise authorized by law.

The bill also appropriates a sum not to exceed \$10.0 million of the proceeds collected through the amnesty period for the costs incurred to carry out and administer the program.

As amended and reported by the committee, this bill is identical to Assembly Bill No. 3819 Aca.

#### COMMITTEE AMENDMENTS:

The committee amendments expand the amnesty period's waiver provisions to include forgiveness for one-half of the balance of interest that is due as of May 1, 2009.

**FISCAL IMPACT:**

The State Treasurer estimates that the tax amnesty program will raise \$100.0 million in FY 2009. Past experiences with amnesty programs have yielded a wide range of revenue collections. New Jersey's 1987 tax amnesty generated \$187.0 million in gross revenue, yielding \$68.0 million in additional net revenues that would otherwise not have been collected. The 1996 amnesty program which was originally estimated to bring in \$70.0 million, actually generated \$359 million in gross revenue, or a net State increase of \$244.0 million, after accounting for about \$115.0 million which the Department of the Treasury estimated would have been collected by tax compliance efforts under normal circumstances. The 2002 amnesty program was initially estimated to bring in \$150.0 million, but generated a gross increase in State revenues of \$277.0 million, although no estimate of the net impact was made.

The bill appropriates up to \$10.0 million of amnesty proceeds to carry out and administer the program. The 1996 amnesty legislation also appropriated up to \$10.0 million for these purposes, and a reported \$7.8 million was expended. The 2002 program appropriated up to \$7.0 million, but the OLS has no information on actual expenditures.

**FISCAL NOTE**  
[First Reprint]  
**SENATE, No. 2678**  
**STATE OF NEW JERSEY**  
**213th LEGISLATURE**

DATED: MARCH 16, 2009

**SUMMARY**

- Synopsis:** Requires the Director of the Division of Taxation to establish a 45-day State tax amnesty period that ends no later than June 15, 2009.
- Type of Impact:** Increase in State revenues to various funds.
- Agencies Affected:** Department of the Treasury.

**Executive Estimate**

<b>Fiscal Impact</b>	<b>FY 2009</b>
<b>State Revenue</b>	\$100,000,000

- The Office of Legislative Services (OLS) believes the Treasurer's estimate that the tax amnesty program would raise \$100.0 million in FY 2009 is not unreasonable, but notes that data are lacking for a confident forecast. The OLS has no independent data on how much outstanding individual or corporate taxpayer liabilities remain delinquent, and has received no supporting data for the Treasurer's estimate. Previous amnesties have exceeded the initial revenue estimate.
- The OLS notes that the bill appropriates up to \$10.0 million of amnesty proceeds to carry out and administer the program.

**BILL DESCRIPTION**

Senate Bill No. 2678 (1R) of 2009 requires the Director of the Division of Taxation to establish a 45-day State tax amnesty period, to end no later than June 15, 2009. The amnesty shall apply only to State tax liabilities for tax returns due on and after January 1, 2002 (the day following termination of the most recent amnesty period) and before February 1, 2009. During the amnesty period, a taxpayer who has failed to pay a State tax can pay the tax and one-half of the balance of interest due without the imposition of recovery fees, civil penalties and criminal

penalties arising out of the late payment. The amnesty is not available to a taxpayer who, at the time of payment, is under criminal investigation or charge for any State tax matter.

If a taxpayer eligible for the amnesty fails during the amnesty period to pay taxes owed and one-half of the balance of interest due, that taxpayer shall be subject to a five percent penalty which may not be waived or abated. The five percent penalty shall be in addition to all other penalties, interest, or collection costs otherwise authorized by law.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

The Treasurer indicated in a Budget update document released on February 17, 2009, that the tax amnesty program would raise \$100.0 million in Fiscal Year 2009. No other supporting documents have been provided at this time.

### ***OFFICE OF LEGISLATIVE SERVICES***

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Since the last amnesty program, economic growth and tax rate increases have expanded the base from which tax delinquencies can be drawn. Total State revenue grew by about 58 percent between FY 2002 and FY 2008. The tax amnesty under this bill covers a seven year time period, compared to six years in the 2002 program and nine years in the 1996 program. This program



would run for 45 days, fewer than the 60 days and 90 days respectively for the prior amnesties. The OLS also notes that economic conditions may influence the ability of tax delinquents to pay the State. The current national economic downturn, being compared by many analysts to the Great Depression, may limit the number of individuals and businesses able to make tax amnesty payments.

Lastly, the OLS notes that the bill appropriates up to \$10.0 million of amnesty proceeds to carry out and administer the program. The 1996 amnesty legislation also appropriated up to \$10.0 million for these purposes, and a reported \$7.8 million was expended. The 2002 program appropriated up to \$7.0 million, but the OLS has no information on actual expenditures.

*Section: Revenue, Finance and Appropriations*  
*Analyst: Martin Poethke*  
*Lead Fiscal Analyst*  
*Approved: David J. Rosen*  
*Legislative Budget and Finance Officer*

This fiscal note has been prepared pursuant to P.L. 1980, c.67 (C. 52:13B-1 et seq.).

1 State tax. No tax payment made pursuant to this section shall be  
2 eligible for refund or credit, whether claimed by administrative  
3 protest or judicial appeal.

4 d. Notwithstanding the provisions of any other law to the  
5 contrary, no amnesty payment shall be accepted without the express  
6 approval of the director with respect to any State tax assessment  
7 which is the subject of any administrative or judicial appeal as of  
8 the effective date of this act.

9 e. Notwithstanding any provision of the "Administrative  
10 Procedure Act," P.L. 1968, c. 410 (C. 52:14B-1 et seq.) to the  
11 contrary, the director may adopt immediately upon filing with the  
12 Office of Administrative Law such regulations as the director  
13 deems necessary to implement the provisions of this section, which  
14 regulations shall be effective for a period not to exceed 180 days  
15 following the date of enactment of P.L. , c. (C. ) (pending  
16 before the Legislature as this bill) and may thereafter be amended,  
17 adopted, or readopted by the director in accordance with the  
18 "Administrative Procedure Act," P.L. 1968, c. 410 (C. 52:14B-1 et  
19 seq.).

20

21 2. There is appropriated to the Division of Taxation in the  
22 Department of the Treasury a sum not to exceed \$10,000,000 from  
23 the proceeds collected pursuant to subsection a. of section 1 of this  
24 act to carry out and administer the tax amnesty program established  
25 pursuant to the provisions of that section.

26

27 3. This act shall take effect immediately.

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29

30 SPONSOR'S STATEMENT

31

32 The bill requires the Director of the Division of Taxation to  
33 establish a 45-day State tax amnesty period, to end no later than  
34 June 15, 2009. The amnesty shall apply only to State tax liabilities  
35 for tax returns due on and after January 1, 2002 (the day following  
36 termination of the most recent amnesty period) and before February  
37 1, 2009. During the amnesty period, a taxpayer who has failed to  
38 pay a State tax can pay the tax, interest due and costs of collection  
39 without the imposition of recovery fees, civil penalties and criminal  
40 penalties arising out of the late payment. The amnesty is not  
41 available to a taxpayer who, at the time of payment, is under  
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44 period to pay taxes owed, that taxpayer shall be subject to a five  
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47 collection costs otherwise authorized by law.

**S2678 BUONO, SWEENEY**

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- 1       The bill also appropriates a sum not to exceed \$10.0 million of
- 2       the proceeds collected through the amnesty period for the costs
- 3       incurred to carry out and administer the program.