

54:4-3.6

LEGISLATIVE HISTORY CHECKLIST

(Tax exemption to schools on facilities used for private retail establishments)

NJSA 54:4-3.6

LAWS OF 1977

CHAPTER 370

Bill No. A3260

Sponsor(s) Hamilton and others

Date Introduced April 21, 1977

Committee: Assembly Banking & Insurance

Senate -----

Amended during passage  Yes  No

Date of Passage: Assembly Dec. 15, 1977

Senate Jan. 5, 1978

Date of approval February 6, 1978

Following statements are attached if available:

Sponsor statement	Yes	<input checked="" type="checkbox"/>	(Below)
Committee Statement:	Assembly	Yes	<input checked="" type="checkbox"/>
	Senate	<input checked="" type="checkbox"/>	No
Fiscal Note		<input checked="" type="checkbox"/>	No
Veto Message		<input checked="" type="checkbox"/>	No
Message on signing		<input checked="" type="checkbox"/>	No

Following were printed:

Reports	<input checked="" type="checkbox"/>	No
Hearings	<input checked="" type="checkbox"/>	No

Sponsor's Statement:

This bill would permit a college, school or other institution, which rents out a portion of its facilities to a private retail establishment such as a bank, dry cleaner, barber, etc., intended as a service and convenience to the students, to retain its tax exempt status on the remainder of said property.

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ASSEMBLY, No. 3260

STATE OF NEW JERSEY

INTRODUCED APRIL 21, 1977

By Assemblymen HAMILTON, KARCHER, PATERO, NEWMAN,  
HAWKINS, BURSTEIN, OTLOWSKI, FROUDE, MARTIN  
and BORNHEIMER

Referred to Committee on Banking and Insurance

AN ACT concerning exemption of property from taxation and  
amending R. S. 54:4-3.6.

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

1 1. R. S. 54:4-3.6 is amended to read as follows:

2 54:4-3.6. The following property shall be exempt from taxation  
3 under this chapter: All buildings actually used for colleges,  
4 schools, academies or seminaries, *provided that if any portion of*  
5 *such buildings are leased to profit-making organizations or other-*  
6 *wise used for purposes which are not themselves exempt from*  
7 *taxation, said portion shall be subject to taxation and the remaining*  
8 *portion only shall be exempt;* all buildings actually used for  
9 historical societies, associations or exhibitions, when owned by the  
10 State, county or any political subdivision thereof or when located  
11 on land owned by an educational institution which derives its  
12 primary support from State revenue; all buildings actually and ex-  
13 clusively used for public libraries, religious worship or asylum or  
14 schools for feebleminded or idiotic persons and children; all build-  
15 ings used exclusively by any association or corporation formed for  
16 the purpose and actually engaged in the work of preventing cruelty  
17 to animals; all buildings actually and exclusively used and owned  
18 by volunteer first-aid squads, which squads are or shall be in-  
19 corporated as associations not for pecuniary profit; all buildings  
20 actually and exclusively used in the work of associations and corpo-  
21 rations organized exclusively for the moral and mental improve-  
22 ment of men, women and children, or for religious, charitable or  
23 hospital purposes, or for one or more such purposes; all buildings  
24 owned or held by an association or corporation created for the  
25 purpose of holding the title to such buildings as are actually and

26 exclusively used in the work of two or more associations or corpo-  
27 rations organized exclusively for the moral and mental improve-  
28 ment of men, women and children; all buildings owned by a corpo-  
29 ration created under or otherwise subject to the provisions of Title  
30 15 of the Revised States and actually and exclusively used in the  
31 work of one or more associations or corporations organized  
32 exclusively for charitable or religious purposes, which associations  
33 or corporations may or may not pay rent for the use of the premises  
34 or the portions of the premises used by them; the buildings, not  
35 exceeding two, actually occupied as a parsonage by the officiating  
36 clergymen of any religious corporation of this State, together with  
37 the accessory buildings located on the same premises; the land  
38 whereon any of the buildings hereinbefore mentioned are erected,  
39 and which may be necessary for the fair enjoyment thereof, and  
40 which is devoted to the purposes above mentioned and to no other  
41 purpose and does not exceed 5 acres in extent; the furniture and  
42 personal property in said buildings if used in and devoted to the  
43 purposes above mentioned; all property owned and used by any  
44 nonprofit corporation in connection with its curriculum, work, care,  
45 treatment and study of feeble-minded, mentally retarded, or idiotic  
46 men, women, or children shall also be exempt from taxation, pro-  
47 vided that such corporation conducts and maintains research or  
48 professional training facilities for the care and training of feeble-  
49 minded, mentally retarded, or idiotic men, women, or children; pro-  
50 vided, in case of all the foregoing, the buildings, or the lands on  
51 which they stand, or the associations, corporations or institutions  
52 using and occupying them as aforesaid, are not conducted for profit,  
53 except that the exemption of the buildings and lands used for chari-  
54 table, benevolent or religious purposes shall extend to cases where  
55 the charitable, benevolent or religious work therein carried on is  
56 supported partly by fees and charges received from or on behalf  
57 of beneficiaries using or occupying the buildings; provided, the  
58 building is wholly controlled by and the entire income therefrom is  
59 used for said charitable, benevolent or religious purposes. The  
60 foregoing exemption shall apply only where the association, corpo-  
61 ration or institution claiming the exemption owns the property in  
62 question and is incorporated or organized under the laws of this  
63 State and authorized to carry out the purposes on account of which  
64 the exemption is claimed or where an educational institution, as  
65 provided herein, has leased said property to a historical society, or  
66 association or to a corporation organized for such purposes and  
67 created under or otherwise subject to the provisions of Title 15 of  
68 the Revised Statutes.

1 2. This act shall take effect immediately and shall be applicable  
2 to real property taxes levied or payable for the calendar year 1978  
3 and thereafter.

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STATEMENT

This bill would permit a college, school, or other institution, which rents out a portion of its facilities to a private retail establishment such as a bank, dry cleaner, barber, etc., intended as a service and convenience to the students, to retain its tax exempt status on the remainder of said property.

ASSEMBLY BANKING AND INSURANCE COMMITTEE

STATEMENT TO  
ASSEMBLY, No. 3260

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STATE OF NEW JERSEY

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DATED: NOVEMBER 28, 1977

This bill permits colleges, schools, academies or seminaries which are tax exempt, to lease a portion of its property to organizations or businesses which do not have tax-exempt status. The portion of the property so leased would be subject to taxation. This would permit colleges to rent part of their facilities to private retail establishments, such as banks or fast food operations, for the convenience of their students.