

54:11A-3.1

LEGISLATIVE HISTORY CHECKLIST

(Business personal property tax--exempts machinery and equipment acquired on or after 1-1-77).

H.R.S.A. 54:11A-3.1

LAWS OF 1977 CHAPTER 4

Bill No. A1766

Sponsor(s) Perskie, Martin, Weidel

Date Introduced March 12, 1976

Committee: Assembly

Senate Revenue, Finance, and Appropriations

Amended during passage Yes ~~xxx~~ Amendments during passage denoted by asterisks

Date of Passage: Assembly March 15, 1976

Senate August 12, 1976

Date of approval November 7, 1977

Following statements are attached if available:

Sponsor statement	Yes	xxx (Below)
Committee Statement: Assembly	xxx	No
Senate	Yes	xxx
Fiscal Note	xxx	No
Veto Message	xxx	No
Message on signing	xxx	No

Following were printed:

Reports	xxx	No
Hearings	xxx	No

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Sponsor's Statement:

This bill is designed to exempt from the business of personal property tax machinery and equipment for the first year of acquisition.

8/1/78

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1/17/77

11

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ASSEMBLY, No. 1766

STATE OF NEW JERSEY

INTRODUCED MARCH 12, 1976

By Assemblymen PERSKIE, MARTIN and WEIDEL

(Without Reference)

A SUPPLEMENT to "An act imposing a tax on personal property used in business; prescribing the method of collecting the tax imposed; providing penalties for violations; and supplementing Title 54 of the Revised Statutes," approved June 17, 1966 (P. L. 1966, c. 136, C. 54:11A-1 et seq.).

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

1 1. ***[**The taxable value of any**]*** *Any** machinery or equipment
2 acquired on or after the effective date of this act shall not be
3 ***[**assessed as of October 1 following the date of such acquisition
4 but shall be**]*** subject to assessment and taxation ***[**for each year
5 thereafter**]***.

1 2. This act shall take effect January 1, 1977.

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

REFERENCE USE ONLY

SENATE REVENUE, FINANCE AND APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1766

with Senate committee amendments

STATE OF NEW JERSEY

DATED: MAY 13, 1976

The Senate Revenue, Finance and Appropriations Committee releases this bill without recommendation with amendments for consideration by the full Senate and is part of a series of bills commonly referred to as the tax package passed by the Assembly on March 15, 1976.

This bill, as amended by the committee, provides an exemption from assessment and taxation of any machinery or equipment acquired on or after January 1, 1977. As passed by the Assembly, the exemption would apply for 1 year only. The committee amendments make the exemption permanent and have the effect of phasing out the tax on personal property used in business. New purchases of machinery and equipment would not be subject to tax, and any purchase of replacement machinery and equipment would likewise not be taxed.

This bill as amended, along with the exemption of machinery, apparatus and equipment from the sales tax as provided in Assembly Bill No. 1761, is intended by its proponents to make capital investment in New Jersey more attractive, and is considered an important part of any State policy to promote economic recovery.

It is anticipated that a revenue loss of \$9 million in fiscal year 1978 and \$18 million in fiscal year 1979 will be experienced. That loss would accrue to municipalities, but is offset by the provisions of Assembly Bill No. 1764, which guarantees the 1976 revenue level as an assurance that the current year's revenue level will be maintained even if a loss in future revenue is experienced by State Government.