

LEGISLATIVE HISTORY CHECKLIST
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(Business relocated in depressed area--
 tax incentives)

NJSA: 40A:12-31

LAWS OF: 1995 **CHAPTER:** 113

BILL NO: S1466

SPONSOR(S): DiFrancesco and others

DATE INTRODUCED: September 26, 1994

COMMITTEE: **ASSEMBLY:** ---

SENATE: Community Affairs

AMENDED DURING PASSAGE: Yes Amendments during passage
 First reprint eacted denoted by superscript numbers

DATE OF PASSAGE: **ASSEMBLY:** May 1, 1995

SENATE: March 2, 1995

DATE OF APPROVAL: June 2, 1995

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: Yes

FOLLOWING WERE PRINTED:
REPORTS: Yes

HEARINGS: Yes

KBG:pp

[FIRST REPRINT]

SENATE, No. 1466

STATE OF NEW JERSEY

INTRODUCED SEPTEMBER 26, 1994

By Senators DiFRANCESCO, McGREEVEY,
Kosco, Ciesla and Sinagra

1 AN ACT concerning the exemption and abatement of dwellings,
2 multiple dwellings and commercial and industrial structures
3 from taxation in areas in need of rehabilitation and amending
4 P.L.1991, c.441.

5

6 BE IT ENACTED by the Senate and General Assembly of the
7 State of New Jersey:

8 1. Section 3 of P.L.1991, c.441 (C.40A:21-3) is amended to
9 read as follows:

10 3. As used in this act:

11 a. "Abatement" means that portion of the assessed value of a
12 property as it existed prior to construction, improvement or
13 conversion of a building or structure thereon, which is exempted
14 from taxation pursuant to this act.

15 b. "Area in need of rehabilitation" means a portion or all of a
16 municipality which has been determined to be an area in need of
17 rehabilitation or redevelopment pursuant to the "Local
18 Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1
19 et al.), a "blighted area" as determined pursuant to the "Blighted
20 Areas Act," P.L.1949, c.187 (C.40:55-21.1 et seq.), or which has
21 been determined to be in need of rehabilitation pursuant to
22 P.L.1975, c.104 (C.54:4-3.72 et seq.), P.L.1977, c.12 (C.54:4-3.95
23 et seq.), or P.L.1979, c.233 (C.54:4-3.121 et seq.).

24 c. "Assessor" means the officer of a taxing district charged
25 with the duty of assessing real property for the purpose of
26 general taxation.

27 d. "Commercial or industrial structure" means a structure or
28 part thereof used for the manufacturing, processing or assembling
29 of material or manufactured products, or for research, office,
30 industrial, commercial, retail, recreational, hotel or motel
31 facilities, or warehousing purposes, or for any combination
32 thereof, which the governing body determines will tend to
33 maintain or provide gainful employment within the municipality,
34 assist in the economic development of the municipality, maintain
35 or increase the tax base of the municipality and maintain or
36 diversify and expand commerce within the municipality. [It shall
37 not include any structure or part thereof used or to be used by
38 any business relocated from another qualifying municipality.] ¹It
39 shall not include any structure or part thereof used or to be used
40 by any business relocated from another qualifying municipality
41 unless: the total square footage of the floor area of the structure
42 or part thereof used or to be used by the business at the new site

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:

¹ Senate floor amendments adopted February 9, 1995.

1 together with the total square footage of the land used or to be
2 used by the business at the new site exceeds the total square
3 footage of that utilized by the business at its current site of
4 operations by at least 10%; and the property that the business is
5 relocating to has been the subject of a remedial action plan
6 costing in excess of \$250,000 performed pursuant to an
7 administrative consent order entered into pursuant to authority
8 vested in the Commissioner of Environmental Protection under
9 P.L.1970. c.33 (C.13:1D-1 et seq.), the "Water Pollution Control
10 Act, (C.58:10A-1 et seq.), the "Solid Waste Management Act,"
11 P.L.1970, c.39 (C.13:1E-1 et seq.), and the "Spill Compensation
12 and Control Act," P.L.1976, c.141 (C.58:10-23.11 et seq.).¹

13 e. "Completion" means substantially ready for the intended
14 use for which a building or structure is constructed, improved or
15 converted.

16 f. "Condominium" means a property created or recorded as a
17 condominium pursuant to the "Condominium Act," P.L.1969,
18 c.257 (C.46:8B-1 et seq.).

19 g. "Construction" means the provision of a new dwelling,
20 multiple dwelling or commercial or industrial structure, or the
21 enlargement of the volume of an existing multiple dwelling or
22 commercial or industrial structure by more than 30%, but shall
23 not mean the conversion of an existing building or structure to
24 another use.

25 h. "Conversion" or "conversion alteration" means the
26 alteration or renovation of a nonresidential building or structure,
27 or hotel, motel, motor hotel or guesthouse, in such manner as to
28 convert the building or structure from its previous use to use as a
29 dwelling or multiple dwelling.

30 i. "Cooperative" means a housing corporation or association,
31 wherein the holder of a share or membership interest thereof is
32 entitled to possess and occupy for dwelling purposes a house,
33 apartment, or other unit of housing owned by the corporation or
34 association, or to purchase a unit of housing owned by the
35 corporation or association.

36 j. "Cost" means, when used with respect to abatements for
37 dwellings or multiple dwellings, only the cost or fair market value
38 of direct labor and materials used in improving a multiple
39 dwelling, or of converting another building or structure to a
40 multiple dwelling, or of constructing a dwelling, or of converting
41 another building or structure to a dwelling, including any
42 architectural, engineering, and contractor's fees associated
43 therewith, as the owner of the property shall cause to be
44 certified to the governing body by an independent and qualified
45 architect, following the completion of the project.

46 k. "Dwelling" means a building or part of a building used, to be
47 used or held for use as a home or residence, including accessory
48 buildings located on the same premises, together with the land
49 upon which such building or buildings are erected and which may
50 be necessary for the fair enjoyment thereof, but shall not mean
51 any building or part of a building, defined as a "multiple
52 dwelling" pursuant to the "Hotel and Multiple Dwelling Law,"
53 P.L.1967, c.76 (C.55:13A-1 et seq.). A dwelling shall include, as
54 they are separately conveyed to individual owners, individual

1 residences within a cooperative, if purchased separately by the
2 occupants thereof, and individual residences within a horizontal
3 property regime or a condominium, but shall not include "general
4 common elements" or "common elements" of such horizontal
5 property regime or condominium as defined pursuant to the
6 "Horizontal Property Act," P.L.1963, c.168 (C.46:8A-1 et seq.),
7 or the "Condominium Act," P.L.1969, c.257 (C.46:8B-1 et seq.),
8 or of a cooperative, if the residential units are owned separately.

9 l. "Exemption" means that portion of the assessor's full and
10 true value of any improvement, conversion alteration, or
11 construction not regarded as increasing the taxable value of a
12 property pursuant to this act.

13 m. "Horizontal property regime" means a property submitted
14 to a horizontal property regime pursuant to the "Horizontal
15 Property Act," P.L.1963, c.168 (C.46:8A-1 et seq.).

16 n. "Improvement" means a modernization, rehabilitation,
17 renovation, alteration or repair which produces a physical change
18 in an existing building or structure that improves the safety,
19 sanitation, decency or attractiveness of the building or structure
20 as a place for human habitation or work, and which does not
21 change its permitted use. In the case of a multiple dwelling, it
22 includes only improvements which affect common areas or
23 elements, or three or more dwelling units within the multiple
24 dwelling. In the case of a multiple dwelling or commercial or
25 industrial structure, it shall not include ordinary painting, repairs
26 and replacement of maintenance items, or an enlargement of the
27 volume of an existing structure by more than 30%. In no case
28 shall it include the repair of fire or other damage to a property
29 for which payment of a claim was received by any person from an
30 insurance company at any time during the three year period
31 immediately preceding the filing of an application pursuant to
32 this act.

33 o. "Multiple dwelling" means a building or structure meeting
34 the definition of "multiple dwelling" set forth in the "Hotel and
35 Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et seq.), and
36 means for the purpose of improvement or construction the
37 "general common elements" and "common elements" of a
38 condominium, a cooperative, or a horizontal property regime.
39 (cf: P.L.1992, c.79, s.57)

40 2. This act shall take effect immediately.

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44
45 Permits municipalities to give tax incentives to certain
46 commercial or industrial businesses.

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STATE OF NEW JERSEY

INTRODUCED SEPTEMBER 26, 1994

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23 (cf: P.L.1992, c.79, s.57)

24 2. This act shall take effect immediately.

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27 STATEMENT

28

29 This bill would give municipalities greater flexibility in
30 attracting commercial and industrial businesses to relocate to an
31 area in need of rehabilitation. The bill would enable a
32 municipality to offer tax incentives to a business transferring its
33 commercial or industrial operations from one municipality in this
34 State, or from another state, to a qualifying municipality in this
35 State.

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40 _____
41 Permits municipalities to give tax incentives to certain
commercial or industrial businesses.

SENATE COMMUNITY AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 1466

STATE OF NEW JERSEY

DATED: NOVEMBER 21, 1994

The Senate Community Affairs Committee reports favorably Senate, No. 1466.

This bill would enable a municipality to offer tax incentives to a business that would like to relocate its commercial or industrial operations from another municipality in the State. Under current law, tax incentives cannot be offered to a business that would relocate out of another qualifying municipality in the State.

974.901
G.61.



OFFICE OF THE GOVERNOR NEWS RELEASE

CN-001

Contact: RITA MANNO
777-2600

TRENTON, N.J. 08625

Release: FRIDAY,
JUNE 2, 1995

Gov. Christie Whitman signed the following bills today:

A-42, which adds endangering the welfare of a child to the list of crimes which bar a person from owning a weapon. Sponsored by Assemblyman Tom Smith (R-Monmouth), former Assemblyman Frank Catania (R-Passaic) and former Assemblywoman Joanna Gregory-Scocchi (R-Middlesex).

S-1466, which enables a municipality to offer tax incentives to a business that would like to relocate its commercial or industrial operations from another municipality in the state. Sponsored by Senate President Donald DiFrancesco (R-Union) and Sen. James McGreevey (D-Middlesex).