

34:1B-209 et. al

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2017 **CHAPTER:** 314

NJSA: 34:1B-209 et. al (Extends document submission deadline under Economic Redevelopment and Growth Grant Program, Grow New Jersey Assistance Program, and Urban Transit Hub Tax Credit Program.)

BILL NO: S3341 (Substituted for A5050)

SPONSOR(S) Ruiz and others

DATE INTRODUCED: 6/22/2017

COMMITTEE: **ASSEMBLY:** ---

SENATE: Economic Growth

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** 1/8/2018

SENATE: 12/18/2017

DATE OF APPROVAL: 1/16/2018

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (First Reprint enacted) Yes

S3341

SPONSOR'S STATEMENT: (Begins on page 15 of introduced bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: Yes

(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)

FLOOR AMENDMENT STATEMENT: Yes

LEGISLATIVE FISCAL ESTIMATE: No

A5050

SPONSOR'S STATEMENT: (Begins on page 15 of introduced bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes Commerce & Econ. Dev. Appropriations

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)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

(continued)

VETO MESSAGE: No

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REPORTS: No

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RH/CL

P.L. 2017, CHAPTER 314, *approved January 16, 2018*
Senate, No. 3341 (*First Reprint*)

1 AN ACT concerning certain business tax credit program document
2 submission deadlines and amending ¹【P.L.2007, c.346 and
3 P.L.2009, c.90】 various parts of the statutory law¹.
4

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

8 1. Section 3 of P.L.2007, c.346 (C.34:1B-209) is amended to
9 read as follows:

10 3. a. (1) A business, upon application to and approval from
11 the authority, shall be allowed a credit of 100 percent of its capital
12 investment, made after the effective date of P.L.2007, c.346
13 (C.34:1B-207 et seq.) but prior to its submission of documentation
14 pursuant to subsection c. of this section, in a qualified business
15 facility within an eligible municipality, pursuant to the restrictions
16 and requirements of this section. To be eligible for any tax credits
17 authorized under this section, a business shall demonstrate to the
18 authority, at the time of application, that the State's financial
19 support of the proposed capital investment in a qualified business
20 facility will yield a net positive benefit to both the State and the
21 eligible municipality. The value of all credits approved by the
22 authority pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) shall
23 not exceed \$1,750,000,000, except as may be increased by the
24 authority as set forth in paragraph (5) of subsection a. of P.L.2009,
25 c.90 (C.34:1B-209.3) and section 6 of P.L.2010, c.57 (C.34:1B-
26 209.4).

27 (2) A business, other than a tenant eligible pursuant to
28 paragraph (3) of this subsection, shall make or acquire capital
29 investments totaling not less than \$50,000,000 in a qualified
30 business facility, at which the business shall employ not fewer than
31 250 full-time employees to be eligible for a credit under this
32 section. A business that acquires a qualified business facility shall
33 also be deemed to have acquired the capital investment made or
34 acquired by the seller.

35 (3) A business that is a tenant in a qualified business facility, the
36 owner of which has made or acquired capital investments in the
37 facility totaling not less than \$50,000,000, shall occupy a leased
38 area of the qualified business facility that represents at least
39 \$17,500,000 of the capital investment in the facility at which the
40 tenant business and up to two other tenants in the qualified business
41 facility shall employ not fewer than 250 full-time employees in the

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:

¹Senate floor amendments adopted December 18, 2017.

1 aggregate to be eligible for a credit under this section. The amount
2 of capital investment in a facility that a leased area represents shall
3 be equal to that percentage of the owner's total capital investment in
4 the facility that the percentage of net leasable area leased by the
5 tenant is of the total net leasable area of the qualified business
6 facility. Capital investments made by a tenant shall be deemed to
7 be included in the calculation of the capital investment made or
8 acquired by the owner, but only to the extent necessary to meet the
9 owner's minimum capital investment of \$50,000,000. Capital
10 investments made by a tenant and not allocated to meet the owner's
11 minimum capital investment threshold of \$50,000,000 shall be
12 added to the amount of capital investment represented by the
13 tenant's leased area in the qualified business facility.

14 (4) A business shall not be allowed tax credits under this section
15 if the business participates in a business employment incentive
16 agreement, pursuant to P.L.1996, c.26 (C.34:1B-124 et seq.),
17 relating to the same capital and employees that qualify the business
18 for this credit, or if the business receives assistance pursuant to
19 P.L.1996, c.25 (C.34:1B-112 et seq.). A business that is allowed a
20 tax credit under this section shall not be eligible for incentives
21 authorized pursuant to P.L.2002, c.43 (C.52:27BBB-1 et al.). A
22 business shall not qualify for a tax credit under this section, based
23 upon its capital investment and the employment of full-time
24 employees, if that capital investment or employment was the basis
25 for which a grant was provided to the business pursuant to the
26 "InvestNJ Business Grant Program Act," P.L.2008, c.112 (C.34:1B-
27 237 et seq.).

28 (5) Full-time employment for an accounting or a privilege
29 period shall be determined as the average of the monthly full-time
30 employment for the period.

31 (6) The capital investment of the owner of a qualified business
32 facility is that percentage of the capital investment made or
33 acquired by the owner of the building that the percentage of net
34 leasable area of the qualified business facility not leased to tenants
35 is of the total net leasable area of the qualified business facility.

36 (7) A business shall be allowed a tax credit of 100 percent of its
37 capital investment, made after the effective date of P.L.2011, c.89
38 but prior to its submission of documentation pursuant to subsection
39 c. of this section, in a qualified business facility that is part of a
40 mixed use project, provided that (a) the qualified business facility
41 represents at least \$17,500,000 of the total capital investment in the
42 mixed use project, (b) the business employs not fewer than 250 full-
43 time employees in the qualified business facility, and (c) the total
44 capital investment in the mixed use project of which the qualified
45 business facility is a part is not less than \$50,000,000. The
46 allowance of credits under this paragraph shall be subject to the
47 restrictions and requirements, to the extent that those are not
48 inconsistent with the provisions of this paragraph, set forth in

1 paragraphs (1) through (6) of this subsection, including, but not
2 limited to, the requirement that the business shall demonstrate to the
3 authority, at the time of application, that the State's financial
4 support of the proposed capital investment in a qualified business
5 facility will yield a net positive benefit to both the State and the
6 eligible municipality.

7 (8) In determining whether a proposed capital investment will
8 yield a net positive benefit, the authority shall not consider the
9 transfer of an existing job from one location in the State to another
10 location in the State as the creation of a new job, unless (a) the
11 business proposes to transfer existing jobs to a municipality in the
12 State as part of a consolidation of business operations from two or
13 more other locations that are not in the same municipality whether
14 in-State or out-of-State, or (b) the business's chief executive officer,
15 or equivalent officer, submits a certification to the authority
16 indicating that the existing jobs are at risk of leaving the State and
17 that the business's chief executive officer, or equivalent officer, has
18 reviewed the information submitted to the authority and that the
19 representations contained therein are accurate, and the business
20 intends to employ not fewer than 500 full-time employees in the
21 qualified business facility. In the event that this certification by the
22 business's chief executive officer, or equivalent officer, is found to
23 be willfully false, the authority may revoke any award of tax credits
24 in their entirety, which revocation shall be in addition to any other
25 criminal or civil penalties that the business and the officer may be
26 subject to. When considering an application involving intra-State
27 job transfers, the authority shall require the company to submit the
28 following information as part of its application: a full economic
29 analysis of all locations under consideration by the company; all
30 lease agreements, ownership documents, or substantially similar
31 documentation for the business's current in-State locations; and all
32 lease agreements, ownership documents, or substantially similar
33 documentation for the potential out-of-State location alternatives, to
34 the extent they exist. Based on this information, and any other
35 information deemed relevant by the authority, the authority shall
36 independently verify and confirm, by way of making a factual
37 finding by separate vote of the authority's board, the business's
38 assertion that the jobs are actually at risk of leaving the State,
39 before a business may be awarded any tax credits under this section.

40 b. (1) If applications under this section have been received by
41 the authority prior to the effective date of the "New Jersey
42 Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-
43 489p et al.), then, to the extent that there remains sufficient
44 financial authorization for the award of a tax credit, the authority is
45 authorized to consider those applications and to make awards of tax
46 credits to eligible applicants, provided that the authority shall take
47 final action on those applications no later than December 31, 2013.

1 (2) A business shall apply for the credit under this section prior
2 to the effective date of the "New Jersey Economic Opportunity Act
3 of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), and shall submit
4 its documentation for approval of its credit amount no later than
5 April 26, **[2019]** 2021.

6 (3) If a business has submitted an application under this section
7 and that application has not been approved for any reason, the lack
8 of approval shall not serve to prejudice in any way the
9 consideration of a new application as may be submitted for the
10 qualified business facility for the provision of incentives offered
11 pursuant to the "New Jersey Economic Opportunity Act of 2013,"
12 P.L.2013, c.161 (C.52:27D-489p et al.).

13 (4) Tax credits awarded pursuant to P.L.2007, c.346 (C.34:1B-
14 207 et seq.) for applications submitted to and approved by the
15 authority prior to the effective date of the "New Jersey Economic
16 Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.),
17 shall be administered by the authority in the manner established
18 prior to that date.

19 (5) With respect to an application received by the authority prior
20 to the effective date of the "New Jersey Economic Opportunity Act
21 of 2013," P.L.2013, c.161 (C.52:27D-489p et al.) for a qualified
22 business facility that is located on or adjacent to the campus of an
23 acute care medical facility, (a) the minimum number of full-time
24 employees required for eligibility under the program may be
25 employed by any number of tenants or other occupants of the
26 facility, in the aggregate, and the initial satisfaction of the
27 requirement following completion of the project shall be deemed to
28 satisfy the employment requirements of the program in all respects,
29 and (b) if the capital investment in the facility exceeds
30 \$100,000,000, the determination of the net positive benefit yield
31 shall be based on the benefits generated during a period of up to 30
32 years following the completion of the project, as determined by the
33 authority.

34 c. (1) The amount of credit allowed shall, except as otherwise
35 provided, be equal to the capital investment made by the business,
36 or the capital investment represented by the business's leased area,
37 or area owned by the business as a condominium, and shall be taken
38 over a 10-year period, at the rate of one-tenth of the total amount of
39 the business's credit for each tax accounting or privilege period of
40 the business, beginning with the tax period in which the business is
41 first certified by the authority as having met the investment capital
42 and employment qualifications, subject to any reduction or
43 disqualification as provided by subsection d. of this section as
44 determined by annual review by the authority. In conducting its
45 annual review, the authority may require a business to submit any
46 information determined by the authority to be necessary and
47 relevant to its review.

1 The credit amount for any tax period ending after July 28,
2 **[2019]** 2021 during which the documentation of a business's credit
3 amount remains uncertified shall be forfeited, although credit
4 amounts for the remainder of the years of the 10-year credit period
5 shall remain available to it.

6 The credit amount that may be taken for a tax period of the
7 business that exceeds the final liabilities of the business for the tax
8 period may be carried forward for use by the business in the next 20
9 successive tax periods, and shall expire thereafter, provided that the
10 value of all credits approved by the authority against tax liabilities
11 pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) in any fiscal year
12 shall not exceed \$260,000,000.

13 The amount of credit allowed for a tax period to a business that
14 is a tenant in a qualified business facility shall not exceed the
15 business's total lease payments for occupancy of the qualified
16 business facility for the tax period.

17 (2) A business that is a partnership shall not be allowed a credit
18 under this section directly, but the amount of credit of an owner of a
19 business shall be determined by allocating to each owner of the
20 partnership that proportion of the credit of the business that is equal
21 to the owner of the partnership's share, whether or not distributed,
22 of the total distributive income or gain of the partnership for its tax
23 period ending within or at the end of the owner's tax period, or that
24 proportion that is allocated by an agreement, if any, among the
25 owners of the partnership that has been provided to the Director of
26 the Division of Taxation in the Department of the Treasury by the
27 time and accompanied by the additional information as the director
28 may require.

29 (3) The amount of credit allowed may be applied against the tax
30 liability otherwise due pursuant to section 5 of P.L.1945, c.162
31 (C.54:10A-5), pursuant to sections 2 and 3 of P.L.1945, c.132
32 (C.54:18A-2 and C.54:18A-3), pursuant to section 1 of P.L.1950,
33 c.231 (C.17:32-15), or pursuant to N.J.S.17B:23-5.

34 d. (1) If, in any tax period, fewer than 200 full-time employees
35 of the business at the qualified business facility are employed in
36 new full-time positions, the amount of the credit otherwise
37 determined pursuant to final calculation of the award of tax credits
38 pursuant to subsection c. of this section shall be reduced by 20
39 percent for that tax period and each subsequent tax period until the
40 first period for which documentation demonstrating the restoration
41 of the 200 full-time employees employed in new full-time positions
42 at the qualified business facility has been reviewed and approved by
43 the authority, for which tax period and each subsequent tax period
44 the full amount of the credit shall be allowed; provided, however,
45 that for businesses applying before January 1, 2010, there shall be
46 no reduction if a business relocates to an urban transit hub from
47 another location or other locations in the same municipality. For
48 the purposes of this paragraph, a "new full-time position" means a

1 position created by the business at the qualified business facility
2 that did not previously exist in this State.

3 (2) If, in any tax period, the business reduces the total number
4 of full-time employees in its Statewide workforce by more than 20
5 percent from the number of full-time employees in its Statewide
6 workforce in the last tax accounting or privilege period prior to the
7 credit amount approval under subsection a. of this section, then the
8 business shall forfeit its credit amount for that tax period and each
9 subsequent tax period, until the first tax period for which
10 documentation demonstrating the restoration of the business's
11 Statewide workforce to the threshold levels required by this
12 paragraph has been reviewed and approved by the authority, for
13 which tax period and each subsequent tax period the full amount of
14 the credit shall be allowed.

15 (3) If, in any tax period, (a) the number of full-time employees
16 employed by the business at the qualified business facility located
17 in an urban transit hub within an eligible municipality drops below
18 250, or (b) the number of full-time employees, who are not the
19 subject of intra-State job transfers, pursuant to paragraph (8) of
20 subsection a. of this section, employed by the business at any other
21 business facility in the State, whether or not located in an urban
22 transit hub within an eligible municipality, drops by more than 20
23 percent from the number of full-time employees in its workforce in
24 the last tax accounting or privilege period prior to the credit amount
25 approval under this section, then the business shall forfeit its credit
26 amount for that tax period and each subsequent tax period, until the
27 first tax period for which documentation demonstrating the
28 restoration of the number of full-time employees employed by the
29 business at the qualified business facility to 250 or an increase
30 above the 20 percent reduction has been reviewed and approved by
31 the authority, for which tax period and each subsequent tax period
32 the full amount of the credit shall be allowed.

33 (4) (i) If the qualified business facility is sold in whole or in
34 part during the 10-year eligibility period, the new owner shall not
35 acquire the capital investment of the seller and the seller shall
36 forfeit all credits for the tax period in which the sale occurs and all
37 subsequent tax periods; provided, however, that any credits of
38 tenants shall remain unaffected.

39 (ii) If a tenant subleases its tenancy in whole or in part during
40 the 10-year eligibility period, the new tenant shall not acquire the
41 credit of the sublessor, and the sublessor tenant shall forfeit all
42 credits for the tax period of its sublease and all subsequent tax
43 periods.

44 e. (1) The Executive Director of the New Jersey Economic
45 Development Authority, in consultation with the Director of the
46 Division of Taxation in the Department of the Treasury, shall adopt
47 rules in accordance with the "Administrative Procedure Act,"
48 P.L.1968, c.410 (C.52:14B-1 et seq.) as are necessary to implement

1 P.L.2007, c.346 (C.34:1B-207 et seq.), including, but not limited to:
2 examples of and the determination of capital investment; the
3 enumeration of eligible municipalities; specific delineation of urban
4 transit hubs; the determination of the limits, if any, on the expense
5 or type of furnishings that may constitute capital improvements; the
6 promulgation of procedures and forms necessary to apply for a
7 credit, including the enumeration of the certification procedures and
8 allocation of tax credits for different phases of a qualified business
9 facility or mixed use project; and provisions for credit applicants to
10 be charged an initial application fee, and ongoing service fees, to
11 cover the administrative costs related to the credit.

12 (2) Through regulation, the authority shall establish standards
13 based on the green building manual prepared by the Commissioner
14 of Community Affairs, pursuant to section 1 of P.L.2007, c.132
15 (C.52:27D-130.6), regarding the use of renewable energy, energy-
16 efficient technology, and non-renewable resources in order to
17 reduce environmental degradation and encourage long-term cost
18 reduction.

19 (cf: P.L.2015, c.252, s.1)

20

21 2. Section 35 of P.L.2009, c.90 (C.34:1B-209.3) is amended to
22 read as follows:

23 35. a. (1) A developer, upon application to and approval from
24 the authority, shall be allowed a credit of up to 35 percent of its
25 capital investment, or up to 40 percent for a project located in a
26 Garden State Growth Zone, made after the effective date of
27 P.L.2009, c.90 (C.52:27D-489a et al.) but prior to its submission of
28 documentation pursuant to subsection c. of this section, in a
29 qualified residential project, pursuant to the restrictions and
30 requirements of this section. To be eligible for any tax credits
31 authorized under this section, a developer shall demonstrate to the
32 authority, through a project pro forma analysis at the time of
33 application, that the qualified residential project is likely to be
34 realized with the provision of tax credits at the level requested, but
35 is not likely to be accomplished by private enterprise without the
36 tax credits. The value of all credits approved by the authority
37 pursuant to this section for qualified residential projects may be up
38 to \$150,000,000, except as may be increased by the authority as set
39 forth below and as set forth in paragraph (5) of this subsection;
40 provided; however, that the combined value of all credits approved
41 by the authority pursuant to section 3 of P.L.2007, c.346 (C.34:1B-
42 207) and this section shall not exceed \$1,750,000,000, except as
43 may be increased by the authority as set forth in paragraph (5) of
44 this subsection. The authority shall monitor application and
45 allocation activity under P.L.2007, c.346 (C.34:1B-207 et seq.), and
46 if sufficient credits are available after taking into account allocation
47 under P.L.2007, c.346 (C.34:1B-207 et seq.) to those qualified
48 business facilities for which applications have been filed or for

1 which applications are reasonably anticipated, and if the executive
2 director judges certain qualified residential projects to be
3 meritorious, the aforementioned \$150,000,000 cap may, in the
4 discretion of the executive director, from time to time, be exceeded
5 for allocation to qualified residential projects in amounts as the
6 executive director deems reasonable, justified, and appropriate. In
7 allocating all credits to qualified residential projects under this
8 section, the executive director shall take into account, together with
9 other factors deemed relevant by the executive director: input from
10 the municipality in which the project is to be located; whether the
11 project contributes to the recovery of areas affected by Hurricane
12 Sandy; whether the project furthers specific State or municipal
13 planning and development objectives, or both; and whether the
14 project furthers a public purpose, such as catalyzing urban
15 development or maximizing the value of vacant, dilapidated,
16 outmoded, government-owned, or underutilized property, or both.

17 (2) A developer shall make or acquire capital investments
18 totaling not less than \$50,000,000 in a qualified residential project
19 to be eligible for a credit under this section. A developer that
20 acquires a qualified residential project shall also be deemed to have
21 acquired the capital investment made or acquired by the seller.

22 (3) The capital investment requirement may be met by the
23 developer or by one or more of its affiliates.

24 (4) A developer of a mixed use project shall be allowed a credit
25 pursuant to subparagraph (a) or (b) of this paragraph, but not both.

26 (a) A developer shall be allowed a credit in accordance with this
27 section for a qualified residential project that includes a mixed use
28 project.

29 (b) A developer shall be allowed a credit of up to 35 percent of
30 its capital investment, or up to 40 percent for a project located in a
31 Garden State Growth Zone, made after the effective date of
32 P.L.2011, c.89, but prior to its submission of documentation
33 pursuant to subsection c. of this section, in a qualified residential
34 project that is part of a mixed use project, provided that:

35 (i) the capital investment in the qualified residential project
36 represents at least \$17,500,000 of the total capital investment in the
37 mixed use project; and

38 (ii) the total capital investment in the mixed use project of which
39 the qualified residential project is a part is not less than
40 \$50,000,000.

41 The allowance of credits under this paragraph shall be subject to
42 the restrictions and requirements, to the extent that those are not
43 inconsistent with the provisions of this paragraph, set forth in
44 paragraphs (1) through (3) of this subsection, including, but not
45 limited to, the requirement prescribed in paragraph (1) of this
46 subsection that the developer shall demonstrate to the authority,
47 through a project pro forma analysis at the time of application, that
48 the qualified residential project is likely to be realized with the

1 provision of tax credits at the level requested but is not likely to be
2 accomplished by private enterprise without the tax credits.

3 As used in this subparagraph:

4 "Mixed use project" means a project comprising both a qualified
5 residential project and a qualified business facility.

6 (5) The authority may approve and allocate credits for qualified
7 residential projects in a value sufficient to meet the requirements of
8 all applications that were received by the authority between October
9 24, 2012 and December 21, 2012, without regard to the terms of
10 any competitive solicitation, except for the \$33,000,000 per project
11 cap, and without need for reapplication by any applicant. The
12 authority shall take final action on those applications prior to the
13 120th day after the date of enactment of the "New Jersey Economic
14 Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.).

15 b. (1) A developer shall apply for the credit under this section
16 on or prior to December 21, 2012 but may thereafter supplement an
17 application as may be requested by the authority. A developer shall
18 submit its documentation for approval of its credit amount no later
19 than April 26, **[2019]** 2021.

20 (2) If a developer has submitted an application under this
21 section and the application has not been approved for any reason,
22 the lack of approval shall not serve to prejudice in any way the
23 consideration of a new application as may be submitted for the
24 project for the provision of incentives offered pursuant to the "New
25 Jersey Economic Opportunity Act of 2013," P.L.2013, c.161
26 (C.52:27D-489p et al.).

27 c. The credit shall be administered in accordance with the
28 provisions of subsections c. and e. of section 3 of P.L.2007, c.346
29 (C.34:1B-209), as amended by section 32 of P.L.2009, c.90, and
30 section 33 of P.L.2009, c.90 (C.34:1B-209.1), except that:

31 (1) all references therein to "business" and "qualified business
32 facility" shall be deemed to refer respectively to "developer" and
33 "qualified residential project," as those terms are defined in section
34 34 of P.L.2009, c.90 (C.34:1B-209.2); and

35 (2) all references therein to credits claimed by tenants and to
36 reductions or disqualifications in credits as determined by annual
37 review of the authority shall be disregarded.

38 For purposes of a "mixed use project" as that term is used and
39 defined pursuant to subparagraph (b) of paragraph (4) of subsection
40 a. of this section, "qualified business facility" means that term as
41 defined pursuant to section 2 of P.L.2007, c.346 (C.34:1B-208).

42 (cf: P.L.2015, c.252, s.2)

43

44 3. Section 6 of P.L.2009, c.90 (C.52:27D-489f) is amended to
45 read as follows:

46 6. a. Up to the limits established in subsection b. of this
47 section and in accordance with a redevelopment incentive grant
48 agreement, beginning upon the receipt of occupancy permits for any

1 portion of the redevelopment project, or upon any other event
2 evidencing project completion as set forth in the incentive grant
3 agreement, the State Treasurer shall pay to the developer
4 incremental State revenues directly realized from businesses
5 operating at the site of the redevelopment project from the
6 following taxes: the Corporation Business Tax Act (1945),
7 P.L.1945, c.162 (C.54:10A-1 et seq.), the tax imposed on marine
8 insurance companies pursuant to R.S.54:16-1 et seq., the tax
9 imposed on insurers generally, pursuant to P.L.1945, c.132
10 (C.54:18A-1 et seq.), the public utility franchise tax, public utilities
11 gross receipts tax and public utility excise tax imposed on sewerage
12 and water corporations pursuant to P.L.1940, c.5 (C.54:30A-49 et
13 seq.), those tariffs and charges imposed by electric, natural gas,
14 telecommunications, water and sewage utilities, and cable television
15 companies under the jurisdiction of the New Jersey Board of Public
16 Utilities, or comparable entity, except for those tariffs, fees, or taxes
17 related to societal benefits charges assessed pursuant to section 12
18 of P.L.1999, c.23 (C.48:3-60), any charges paid for compliance
19 with the "Global Warming Response Act," P.L.2007, c.112
20 (C.26:2C-37 et seq.), transitional energy facility assessment unit
21 taxes paid pursuant to section 67 of P.L.1997, c.162 (C.48:2-21.34),
22 and the sales and use taxes on public utility and cable television
23 services and commodities, the tax derived from net profits from
24 business, a distributive share of partnership income, or a pro rata
25 share of S corporation income under the "New Jersey Gross Income
26 Tax Act," N.J.S.54A:1-1 et seq., the tax derived from a business at
27 the site of a redevelopment project that is required to collect the tax
28 pursuant to the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-
29 1 et seq.), the tax imposed pursuant to P.L.1966, c.30 (C.54:32B-1
30 et seq.) from the purchase of furniture, fixtures and equipment, or
31 materials for the remediation, the construction of new structures at
32 the site of a redevelopment project, the hotel and motel occupancy
33 fee imposed pursuant to section 1 of P.L.2003, c.114 (C.54:32D-1),
34 or the portion of the fee imposed pursuant to section 3 of P.L.1968,
35 c.49 (C.46:15-7) derived from the sale of real property at the site of
36 the redevelopment project and paid to the State Treasurer for use by
37 the State, that is not credited to the "Shore Protection Fund" or the
38 "Neighborhood Preservation Nonlapsing Revolving Fund" ("New
39 Jersey Affordable Housing Trust Fund") pursuant to section 4 of
40 P.L.1968, c.49 (C.46:15-8). Any developer shall be allowed to
41 assign their ability to apply for the tax credit under this subsection
42 to a non-profit organization with a mission dedicated to attracting
43 investment and completing development and redevelopment
44 projects in a Garden State Growth Zone. The non-profit
45 organization may make an application on behalf of a developer
46 which meets the requirements for the tax credit, or a group of non-
47 qualifying developers, such that these will be considered a unified

1 project for the purposes of the incentives provided under this
2 section.

3 b. (1) Up to an average of 75 percent of the projected annual
4 incremental revenues or 85 percent of the projected annual
5 incremental revenues in a Garden State Growth Zone may be
6 pledged towards the State portion of an incentive grant.

7 (2) In the case of a qualified residential project or a project
8 involving university infrastructure, if the authority determines that
9 the estimated amount of incremental revenues pledged towards the
10 State portion of an incentive grant is inadequate to fully fund the
11 amount of the State portion of the incentive grant, then in lieu of an
12 incentive grant based on the incremental revenues, the developer
13 shall be awarded tax credits equal to the full amount of the
14 incentive grant.

15 (3) In the case of a mixed use parking project, if the authority
16 determines that the estimated amount of incremental revenues
17 pledged towards the State portion of an incentive grant is
18 inadequate to fully fund the amount of the State portion of the
19 incentive grant, then, in lieu of an incentive grant based on the
20 incremental revenues, the developer shall be awarded tax credits
21 equal to the full amount of the incentive grant.

22 The value of all credits approved by the authority pursuant to
23 paragraphs (2) and (3) of this subsection shall not exceed
24 \$823,000,000, of which:

25 (a) \$250,000,000 shall be restricted to qualified residential
26 projects within Atlantic, Burlington, Camden, Cape May,
27 Cumberland, Gloucester, Ocean, and Salem counties, of which
28 \$175,000,000 of the credits shall be restricted to the following
29 categories of projects: (i) qualified residential projects located in a
30 Garden State Growth Zone located within the aforementioned
31 counties; and (ii) mixed use parking projects located in a Garden
32 State Growth Zone or urban transit hub located within the
33 aforementioned counties; (iii) and \$75,000,000 of the credits shall
34 be restricted to qualified residential projects in municipalities with a
35 2007 Municipal Revitalization Index of 400 or higher as of the date
36 of enactment of the "New Jersey Economic Opportunity Act of
37 2013," P.L.2013, c.161 (C.52:27D-489p et al.) and located within
38 the aforementioned counties;

39 (b) \$395,000,000 shall be restricted to the following categories
40 of projects: (i) qualified residential projects located in urban transit
41 hubs that are commuter rail in nature that otherwise do not qualify
42 under subparagraph (a) of this paragraph; (ii) qualified residential
43 projects located in Garden State Growth Zones that do not qualify
44 under subparagraph (a) of this paragraph; (iii) mixed use parking
45 projects located in urban transit hubs or Garden State Growth Zones
46 that do not qualify under subparagraph (a) of this paragraph,
47 provided however, an urban transit hub shall be allocated no more
48 than \$25,000,000 for mixed use parking projects; (iv) qualified

1 residential projects which are disaster recovery projects that
2 otherwise do not qualify under subparagraph (a) of this paragraph;
3 (v) qualified residential projects in SDA municipalities located in
4 Hudson County that were awarded State Aid in State Fiscal Year
5 2013 through the Transitional Aid to Localities program and
6 otherwise do not qualify under subparagraph (a) of this paragraph;
7 (vi) \$25,000,000 of credits shall be restricted to mixed use parking
8 projects in Garden State Growth Zones which have a population in
9 excess of 125,000 and do not qualify under subparagraph (a) of this
10 paragraph; (vii) \$40,000,000 of credits shall be restricted to
11 qualified residential projects that include a theater venue for the
12 performing arts and do not qualify under subparagraph (a) of this
13 paragraph, which projects are located in a municipality with a
14 population of less than 100,000 according to the latest federal
15 decennial census, and within which municipality is located an urban
16 transit hub and a campus of a public research university, as defined
17 in section 1 of P.L.2009, c.308 (C.18A:3B-46); and (viii)
18 \$105,000,000 of credits shall be restricted to qualified residential
19 projects and mixed use parking projects in Garden State Growth
20 Zones having a population in excess of 125,000 and do not qualify
21 under subparagraph (a) of this paragraph;

22 (c) \$87,000,000 shall be restricted to the following categories of
23 projects: (i) qualified residential projects located in distressed
24 municipalities, deep poverty pockets, highlands development credit
25 receiving areas or redevelopment areas, otherwise not qualifying
26 pursuant to subparagraph (a) or (b) of this paragraph; and (ii) mixed
27 use parking projects that do not qualify under subparagraph (a) or
28 (b) of this paragraph, and which are used by an independent
29 institution of higher education, a school of medicine, a nonprofit
30 hospital system, or any combination thereof; provided, however,
31 that \$20,000,000 of the \$87,000,000 shall be allocated to mixed use
32 parking projects that do not qualify under subparagraph (a) or (b) of
33 this paragraph;

34 (d) (i) \$16,000,000 shall be restricted to qualified residential
35 projects that are located within a qualifying economic
36 redevelopment and growth grant incentive area otherwise not
37 qualifying under subparagraph (a), (b), or (c) of this paragraph; and

38 (ii) an additional \$50,000,000 shall be restricted to qualified
39 residential projects which, as of the effective date of P.L.2016, c.51,
40 are located in a city of the first class with a population in excess of
41 270,000, are subject to a Renewal Contract for a Section 8 Mark-
42 Up-To-Market Project from the United States Department of
43 Housing and Urban Development, and for which an application for
44 the award of tax credits under this subsection was submitted prior to
45 January 1, 2016; and

46 (e) \$25,000,000 shall be restricted to projects involving
47 university infrastructure.

1 (f) For subparagraphs (a) through (d) of this paragraph, not
2 more than \$40,000,000 of credits shall be awarded to any qualified
3 residential project in a deep poverty pocket or distressed
4 municipality and not more than \$20,000,000 of credits shall be
5 awarded to any other qualified residential project. The developer of
6 a qualified residential project seeking an award of credits towards
7 the funding of its incentive grant shall submit an incentive grant
8 application prior to July 1, 2016 and if approved after September
9 18, 2013, the effective date of P.L.2013, c.161 (C.52:27D-489p et
10 al.) shall submit a temporary certificate of occupancy for the project
11 no later than July 28, ~~2019~~ 2021. The developer of a mixed use
12 parking project seeking an award of credits towards the funding of
13 its incentive grant pursuant to subparagraph (c) of this paragraph
14 and if approved after the effective date of P.L.2015, c.217, shall
15 submit a temporary certificate of occupancy for the project no later
16 than July 28, 2021. The developer of a qualified residential project
17 or a mixed use parking project seeking an award of credits toward
18 the funding of its incentive grant for a project restricted under
19 category (viii) of subparagraph (b) of this paragraph shall submit an
20 incentive grant application prior to July 1, 2018, and if approved
21 after the effective date of P.L.2017, c.59, shall submit a temporary
22 certificate of occupancy for the project no later than July 28, 2021.
23 Applications for tax credits pursuant to this subsection relating to
24 an ancillary infrastructure project or infrastructure improvement in
25 the public right-of-way, or both, shall be accompanied with a letter
26 of support relating to the project or improvement by the governing
27 body or agency in which the project is located. Credits awarded to
28 a developer pursuant to this subsection shall be subject to the same
29 financial and related analysis by the authority, the same term of the
30 grant, and the same mechanism for administering the credits, and
31 shall be utilized or transferred by the developer as if the credits had
32 been awarded to the developer pursuant to section 35 of P.L.2009,
33 c.90 (C.34:1B-209.3) for qualified residential projects thereunder.
34 No portion of the revenues pledged pursuant to the "New Jersey
35 Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-
36 489p et al.) shall be subject to withholding or retainage for
37 adjustment, in the event the developer or taxpayer waives its rights
38 to claim a refund thereof.

39 (4) A developer may apply to the Director of the Division of
40 Taxation in the Department of the Treasury and the chief executive
41 officer of the authority for a tax credit transfer certificate, if the
42 developer is awarded a tax credit pursuant to paragraph (2) or
43 paragraph (3) of this subsection, covering one or more years, in lieu
44 of the developer being allowed any amount of the credit against the
45 tax liability of the developer. The tax credit transfer certificate,
46 upon receipt thereof by the developer from the director and the
47 chief executive officer of the authority, may be sold or assigned, in
48 full or in part, to any other person who may have a tax liability

1 pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), sections 2
2 and 3 of P.L.1945, c.132 (C.54:18A-2 and C.54:18A-3), section 1
3 of P.L.1950, c.231 (C.17:32-15), or N.J.S.17B:23-5. The certificate
4 provided to the developer shall include a statement waiving the
5 developer's right to claim that amount of the credit against the taxes
6 that the developer has elected to sell or assign. The sale or
7 assignment of any amount of a tax credit transfer certificate allowed
8 under this paragraph shall not be exchanged for consideration
9 received by the developer of less than 75 percent of the transferred
10 credit amount before considering any further discounting to present
11 value that may be permitted. Any amount of a tax credit transfer
12 certificate used by a purchaser or assignee against a tax liability
13 shall be subject to the same limitations and conditions that apply to
14 the use of the credit by the developer who originally applied for and
15 was allowed the credit.

16 c. All administrative costs associated with the incentive grant
17 shall be assessed to the applicant and be retained by the State
18 Treasurer from the annual incentive grant payments.

19 d. The incremental revenue for the revenues listed in
20 subsection a. of this section shall be calculated as the difference
21 between the amount collected in any fiscal year from any eligible
22 revenue source included in the State redevelopment incentive grant
23 agreement, less the revenue increment base for that eligible
24 revenue.

25 e. The municipality is authorized to collect any information
26 necessary to facilitate grants under this program and remit that
27 information in order to assist in the calculation of incremental
28 revenue.

29 (cf: P.L.2017, c.59, s.1)

30

31 ¹4. Section 6 of P.L.2011, c.149 (C.34:1B-247) is amended to
32 read as follows:

33 6. a. (1) The combined value of all credits approved by the
34 authority pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) and
35 P.L.2011, c.149 (C.34:1B-242 et al.) prior to December 31, 2013
36 shall not exceed \$1,750,000,000, except as may be increased by the
37 authority as set forth in paragraph (5) of subsection a. of section 35
38 of P.L.2009, c.90 (C.34:1B-209.3). Following the enactment of the
39 "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161
40 (C.52:27D-489p et al.), there shall be no monetary cap on the value
41 of credits approved by the authority attributable to the program
42 pursuant to the "New Jersey Economic Opportunity Act of 2013,"
43 P.L.2013, c.161 (C.52:27D-489p et al.).

44 (2) (Deleted by amendment, P.L.2013, c.161) **[.]**

45 (3) (Deleted by amendment, P.L.2013, c.161) **[.]**

46 (4) (Deleted by amendment, P.L.2013, c.161) **[.]**

47 (5) (Deleted by amendment, P.L.2013, c.161) **[.]**

1 b. (1) A business shall submit an application for tax credits
2 prior to July 1, 2019. The authority shall not approve an application
3 for tax credits unless the application was submitted prior to July 1,
4 2019.

5 (2) (a) A business shall submit its documentation indicating that
6 it has met the capital investment and employment requirements
7 specified in the incentive agreement for certification of its tax credit
8 amount within three years following the date of approval of its
9 application by the authority. The authority shall have the discretion
10 to grant two six-month extensions of this deadline. Except as
11 provided in subparagraph (b) of this paragraph, in no event shall the
12 incentive effective date occur later than four years following the
13 date of approval of an application by the authority.

14 (b) As of the effective date of **[P.L.2015, c.252]** P.L._____,
15 c. (pending before the Legislature as this bill), a business which
16 applied for the tax credit prior to July 1, 2014 under P.L.2011,
17 c.149 (C.34:1B-242 et al.), shall submit its documentation to the
18 authority no later than July 28, **[2018]** 2019, indicating that it has
19 met the capital investment and employment requirements specified
20 in the incentive agreement for certification of its tax credit amount.

21 (3) Full-time employment for an accounting or privilege period
22 shall be determined as the average of the monthly full-time
23 employment for the period.

24 (4) A business seeking a credit for a mega project shall apply for
25 the credit within four years after the effective date of the "New
26 Jersey Economic Opportunity Act of 2013," P.L.2013, c.161
27 (C.52:27D-489p et al.).

28 c. (1) In conducting its annual review, the authority may
29 require a business to submit any information determined by the
30 authority to be necessary and relevant to its review.

31 The credit amount for any tax period for which the
32 documentation of a business's credit amount remains uncertified as
33 of a date three years after the closing date of that period shall be
34 forfeited, although credit amounts for the remainder of the years of
35 the eligibility period shall remain available to it.

36 The credit amount may be taken by the tax certificate holder for
37 the tax period for which it was issued or may be carried forward for
38 use by the tax certificate holder in any of the next 20 successive tax
39 periods, and shall expire thereafter. The tax certificate holder may
40 transfer the tax credit amount on or after the date of issuance or at
41 any time within three years of the date of issuance for use by the
42 transferee in the tax period during which it was transferred or in any
43 of the next three successive tax periods. Notwithstanding the
44 foregoing, no more than the amount of tax credits equal to the total
45 credit amount divided by the duration of the eligibility period in
46 years may be taken in any tax period.

47 (2) Credits granted to a partnership shall be passed through to
48 the partners, members, or owners, respectively, pro-rata or pursuant

1 to an executed agreement among the partners, members, or owners
2 documenting an alternate distribution method provided to the
3 Director of the Division of Taxation in the Department of the
4 Treasury accompanied by any additional information as the director
5 may require.

6 (3) The amount of credit allowed may be applied against the tax
7 liability otherwise due pursuant to section 5 of P.L.1945, c.162
8 (C.54:10A-5), pursuant to sections 2 and 3 of P.L.1945, c.132
9 (C.54:18A-2 and C.54:18A-3), pursuant to section 1 of P.L.1950,
10 c.231 (C.17:32-15), or pursuant to N.J.S.17B:23-5.

11 d. (1) If, in any tax period, the business reduces the total
12 number of full-time employees in its Statewide workforce by more
13 than 20 percent from the number of full-time employees in its
14 Statewide workforce in the last tax period prior to the credit amount
15 approval under section 3 of P.L.2011, c.149 (C.34:1B-244), then the
16 business shall forfeit its credit amount for that tax period and each
17 subsequent tax period, until the first tax period for which
18 documentation demonstrating the restoration of the business's
19 Statewide workforce to the threshold levels required by **[this**
20 **paragraph]** the incentive agreement has been reviewed and
21 approved by the authority, for which tax period and each
22 subsequent tax period the full amount of the credit shall be allowed.

23 (2) If, in any tax period, the number of full-time employees
24 employed by the business at the qualified business facility located
25 within a qualified incentive area drops below 80 percent of the
26 number of new and retained full-time jobs specified in the incentive
27 agreement, then the business shall forfeit its credit amount for that
28 tax period and each subsequent tax period, until the first tax period
29 for which documentation demonstrating the restoration of the
30 number of full-time employees employed by the business at the
31 qualified business facility to 80 percent of the number of jobs
32 specified in the incentive agreement.

33 (3) (a) If the qualified business facility is sold by the owner in
34 whole or in part during the eligibility period, the new owner shall
35 not acquire the capital investment of the seller and the seller shall
36 forfeit all credits for the tax period in which the sale occurs and all
37 subsequent tax periods, provided however that any credits of the
38 business shall remain unaffected.

39 (b) In connection with a regional distribution facility of
40 foodstuffs, the business entity or entities which own or lease the
41 facility shall qualify as a business regardless of: (i) the type of the
42 business entity or entities which own or lease the facility; (ii) the
43 ownership or leasing of the facility by more than one business
44 entity; or (iii) the ownership of the business entity or entities which
45 own or lease the facility. The ownership or leasing, whether by
46 members, shareholders, partners, or other owners of the business
47 entity or entities, shall be treated as ownership or leasing by
48 affiliates. The members, shareholders, partners, or other ownership

1 or leasing participants and others that are tenants in the facility shall
2 be treated as affiliates for the purpose of counting the full-time
3 employees and capital investments in the facility. The business
4 entity or entities may distribute credits to members, shareholders,
5 partners, or other ownership or leasing participants in accordance
6 with their respective interests. If the business entity or entities or
7 their members, shareholders, partners, or other ownership or leasing
8 participants lease space in the facility to members, shareholders,
9 partners, or other ownership or leasing participants or others as
10 tenants in the facility, the leases shall be treated as a lease to an
11 affiliate, and the business entity or entities shall not be subject to
12 forfeiture of the credits. For the purposes of this section, leasing
13 shall include subleasing and tenants shall include subtenants.

14 (4) (a) For a project located within a Garden State Growth Zone,
15 if, in any tax period, the number of full-time employees employed
16 by the business at the qualified business facility located within a
17 qualified incentive area increases above the number of full-time
18 employees specified in the incentive agreement, then the business
19 shall be entitled to an increased base credit amount for that tax
20 period and each subsequent tax period, for each additional full-time
21 employee added above the number of full-time employees specified
22 in the incentive agreement, until the first tax period for which
23 documentation demonstrating a reduction of the number of full-time
24 employees employed by the business at the qualified business
25 facility, at which time the tax credit amount will be adjusted
26 accordingly pursuant to this section.

27 (b) For a project located within a Garden State Growth Zone
28 which qualifies under the "Municipal Rehabilitation and Economic
29 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), or which
30 contains a Tourism District as established pursuant to section 5 of
31 P.L.2011, c.18 (C.5:12-219) and regulated by the Casino
32 Reinvestment Development Authority, and which qualifies for a tax
33 credit pursuant to subparagraph (ii) of subparagraphs (a) through
34 (e) of paragraph (6) of subsection d. of section 5 of P.L.2011, c.149
35 (C.34:1B-246), if, in any tax period the number of full-time
36 employees employed by the business at the qualified business
37 facility located within a qualified incentive area increases above the
38 number of full-time employees specified in the incentive agreement
39 such that the business shall then meet the minimum number of
40 employees required in subparagraph (b), (c), (d), or (e) of paragraph
41 (6) of subsection d. of section 5 of P.L.2011, c.149 (C.34:1B-246),
42 then the authority shall recalculate the total tax credit amount per
43 full-time job by using the certified capital investment of the project
44 allowable under the applicable subparagraph and the number of
45 full-time jobs certified on the date of the recalculation and applying
46 those numbers to subparagraph (b), (c), (d), or (e) of paragraph (6)
47 of subsection d. of section 5 of P.L.2011, c.149 (C.34:1B-246),
48 until the first tax period for which documentation demonstrating a

1 reduction of the number of full-time employees employed by the
2 business at the qualified business facility, at which time the tax
3 credit amount shall be adjusted accordingly pursuant to this section.

4 e. The authority shall not enter into an incentive agreement
5 with a business that has previously received incentives pursuant to
6 the "Business Retention and Relocation Assistance Act," P.L.1996,
7 c.25 (C.34:1B-112 et seq.), the "Business Employment Incentive
8 Program Act," P.L.1996, c.26 (C.34:1B-124 et **[seq.] al.**), or any
9 other program administered by the authority unless:

10 (1) the business has satisfied all of its obligations underlying the
11 previous award of incentives or is compliant with section 4 of
12 P.L.2011, c.149 (C.34:1B-245); or

13 (2) the capital investment incurred and new or retained full-time
14 jobs pledged by the business in the new incentive agreement are
15 separate and apart from any capital investment or jobs underlying
16 the previous award of incentives.

17 f. A business which has already applied for a tax credit
18 incentive award prior to the effective date of the "New Jersey
19 Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-
20 489p et al.), but who has not yet been approved for the tax credits,
21 or has not executed an agreement with the authority, may proceed
22 under that application or seek to amend the application or reapply
23 for a tax credit incentive award for the same project or any part
24 thereof for the purpose of availing itself of any more favorable
25 provisions of the program.¹

26 (cf: P.L.2015, c.252, s.4)

27

28 ¹**[4.] 5.**¹ This act shall take effect immediately.

29

30

31

32

33 Extends document submission deadline under Economic
34 Redevelopment and Growth Grant Program, Grow New Jersey
35 Assistance Program, and Urban Transit Hub Tax Credit Program.

SENATE, No. 3341

STATE OF NEW JERSEY
217th LEGISLATURE

INTRODUCED JUNE 22, 2017

Sponsored by:
Senator M. TERESA RUIZ
District 29 (Essex)

SYNOPSIS

Extends document submission deadlines under Economic Redevelopment and Growth Grant Program and Urban Transit Hub Tax Credit Program.

CURRENT VERSION OF TEXT

As introduced.



S3341 RUIZ

2

1 AN ACT concerning certain business tax credit program document
2 submission deadlines and amending P.L.2007, c.346 and
3 P.L.2009, c.90.

4

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

7

8 1. Section 3 of P.L.2007, c.346 (C.34:1B-209) is amended to
9 read as follows:

10 3. a. (1) A business, upon application to and approval from
11 the authority, shall be allowed a credit of 100 percent of its capital
12 investment, made after the effective date of P.L.2007, c.346
13 (C.34:1B-207 et seq.) but prior to its submission of documentation
14 pursuant to subsection c. of this section, in a qualified business
15 facility within an eligible municipality, pursuant to the restrictions
16 and requirements of this section. To be eligible for any tax credits
17 authorized under this section, a business shall demonstrate to the
18 authority, at the time of application, that the State's financial
19 support of the proposed capital investment in a qualified business
20 facility will yield a net positive benefit to both the State and the
21 eligible municipality. The value of all credits approved by the
22 authority pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) shall
23 not exceed \$1,750,000,000, except as may be increased by the
24 authority as set forth in paragraph (5) of subsection a. of P.L.2009,
25 c.90 (C.34:1B-209.3) and section 6 of P.L.2010, c.57 (C.34:1B-
26 209.4).

27 (2) A business, other than a tenant eligible pursuant to
28 paragraph (3) of this subsection, shall make or acquire capital
29 investments totaling not less than \$50,000,000 in a qualified
30 business facility, at which the business shall employ not fewer than
31 250 full-time employees to be eligible for a credit under this
32 section. A business that acquires a qualified business facility shall
33 also be deemed to have acquired the capital investment made or
34 acquired by the seller.

35 (3) A business that is a tenant in a qualified business facility, the
36 owner of which has made or acquired capital investments in the
37 facility totaling not less than \$50,000,000, shall occupy a leased
38 area of the qualified business facility that represents at least
39 \$17,500,000 of the capital investment in the facility at which the
40 tenant business and up to two other tenants in the qualified business
41 facility shall employ not fewer than 250 full-time employees in the
42 aggregate to be eligible for a credit under this section. The amount
43 of capital investment in a facility that a leased area represents shall
44 be equal to that percentage of the owner's total capital investment in
45 the facility that the percentage of net leasable area leased by the

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.

1 tenant is of the total net leasable area of the qualified business
2 facility. Capital investments made by a tenant shall be deemed to
3 be included in the calculation of the capital investment made or
4 acquired by the owner, but only to the extent necessary to meet the
5 owner's minimum capital investment of \$50,000,000. Capital
6 investments made by a tenant and not allocated to meet the owner's
7 minimum capital investment threshold of \$50,000,000 shall be
8 added to the amount of capital investment represented by the
9 tenant's leased area in the qualified business facility.

10 (4) A business shall not be allowed tax credits under this section
11 if the business participates in a business employment incentive
12 agreement, pursuant to P.L.1996, c.26 (C.34:1B-124 et seq.),
13 relating to the same capital and employees that qualify the business
14 for this credit, or if the business receives assistance pursuant to
15 P.L.1996, c.25 (C.34:1B-112 et seq.). A business that is allowed a
16 tax credit under this section shall not be eligible for incentives
17 authorized pursuant to P.L.2002, c.43 (C.52:27BBB-1 et al.). A
18 business shall not qualify for a tax credit under this section, based
19 upon its capital investment and the employment of full-time
20 employees, if that capital investment or employment was the basis
21 for which a grant was provided to the business pursuant to the
22 "InvestNJ Business Grant Program Act," P.L.2008, c.112 (C.34:1B-
23 237 et seq.).

24 (5) Full-time employment for an accounting or a privilege
25 period shall be determined as the average of the monthly full-time
26 employment for the period.

27 (6) The capital investment of the owner of a qualified business
28 facility is that percentage of the capital investment made or
29 acquired by the owner of the building that the percentage of net
30 leasable area of the qualified business facility not leased to tenants
31 is of the total net leasable area of the qualified business facility.

32 (7) A business shall be allowed a tax credit of 100 percent of its
33 capital investment, made after the effective date of P.L.2011, c.89
34 but prior to its submission of documentation pursuant to subsection
35 c. of this section, in a qualified business facility that is part of a
36 mixed use project, provided that (a) the qualified business facility
37 represents at least \$17,500,000 of the total capital investment in the
38 mixed use project, (b) the business employs not fewer than 250 full-
39 time employees in the qualified business facility, and (c) the total
40 capital investment in the mixed use project of which the qualified
41 business facility is a part is not less than \$50,000,000. The
42 allowance of credits under this paragraph shall be subject to the
43 restrictions and requirements, to the extent that those are not
44 inconsistent with the provisions of this paragraph, set forth in
45 paragraphs (1) through (6) of this subsection, including, but not
46 limited to, the requirement that the business shall demonstrate to the
47 authority, at the time of application, that the State's financial
48 support of the proposed capital investment in a qualified business

1 facility will yield a net positive benefit to both the State and the
2 eligible municipality.

3 (8) In determining whether a proposed capital investment will
4 yield a net positive benefit, the authority shall not consider the
5 transfer of an existing job from one location in the State to another
6 location in the State as the creation of a new job, unless (a) the
7 business proposes to transfer existing jobs to a municipality in the
8 State as part of a consolidation of business operations from two or
9 more other locations that are not in the same municipality whether
10 in-State or out-of-State, or (b) the business's chief executive officer,
11 or equivalent officer, submits a certification to the authority
12 indicating that the existing jobs are at risk of leaving the State and
13 that the business's chief executive officer, or equivalent officer, has
14 reviewed the information submitted to the authority and that the
15 representations contained therein are accurate, and the business
16 intends to employ not fewer than 500 full-time employees in the
17 qualified business facility. In the event that this certification by the
18 business's chief executive officer, or equivalent officer, is found to
19 be willfully false, the authority may revoke any award of tax credits
20 in their entirety, which revocation shall be in addition to any other
21 criminal or civil penalties that the business and the officer may be
22 subject to. When considering an application involving intra-State
23 job transfers, the authority shall require the company to submit the
24 following information as part of its application: a full economic
25 analysis of all locations under consideration by the company; all
26 lease agreements, ownership documents, or substantially similar
27 documentation for the business's current in-State locations; and all
28 lease agreements, ownership documents, or substantially similar
29 documentation for the potential out-of-State location alternatives, to
30 the extent they exist. Based on this information, and any other
31 information deemed relevant by the authority, the authority shall
32 independently verify and confirm, by way of making a factual
33 finding by separate vote of the authority's board, the business's
34 assertion that the jobs are actually at risk of leaving the State,
35 before a business may be awarded any tax credits under this section.

36 b. (1) If applications under this section have been received by
37 the authority prior to the effective date of the "New Jersey
38 Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-
39 489p et al.), then, to the extent that there remains sufficient
40 financial authorization for the award of a tax credit, the authority is
41 authorized to consider those applications and to make awards of tax
42 credits to eligible applicants, provided that the authority shall take
43 final action on those applications no later than December 31, 2013.

44 (2) A business shall apply for the credit under this section prior
45 to the effective date of the "New Jersey Economic Opportunity Act
46 of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), and shall submit
47 its documentation for approval of its credit amount no later than
48 April 26, **[2019]** 2021.

1 (3) If a business has submitted an application under this section
2 and that application has not been approved for any reason, the lack
3 of approval shall not serve to prejudice in any way the
4 consideration of a new application as may be submitted for the
5 qualified business facility for the provision of incentives offered
6 pursuant to the "New Jersey Economic Opportunity Act of 2013,"
7 P.L.2013, c.161 (C.52:27D-489p et al.).

8 (4) Tax credits awarded pursuant to P.L.2007, c.346 (C.34:1B-
9 207 et seq.) for applications submitted to and approved by the
10 authority prior to the effective date of the "New Jersey Economic
11 Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.),
12 shall be administered by the authority in the manner established
13 prior to that date.

14 (5) With respect to an application received by the authority prior
15 to the effective date of the "New Jersey Economic Opportunity Act
16 of 2013," P.L.2013, c.161 (C.52:27D-489p et al.) for a qualified
17 business facility that is located on or adjacent to the campus of an
18 acute care medical facility, (a) the minimum number of full-time
19 employees required for eligibility under the program may be
20 employed by any number of tenants or other occupants of the
21 facility, in the aggregate, and the initial satisfaction of the
22 requirement following completion of the project shall be deemed to
23 satisfy the employment requirements of the program in all respects,
24 and (b) if the capital investment in the facility exceeds
25 \$100,000,000, the determination of the net positive benefit yield
26 shall be based on the benefits generated during a period of up to 30
27 years following the completion of the project, as determined by the
28 authority.

29 c. (1) The amount of credit allowed shall, except as otherwise
30 provided, be equal to the capital investment made by the business,
31 or the capital investment represented by the business's leased area,
32 or area owned by the business as a condominium, and shall be taken
33 over a 10-year period, at the rate of one-tenth of the total amount of
34 the business's credit for each tax accounting or privilege period of
35 the business, beginning with the tax period in which the business is
36 first certified by the authority as having met the investment capital
37 and employment qualifications, subject to any reduction or
38 disqualification as provided by subsection d. of this section as
39 determined by annual review by the authority. In conducting its
40 annual review, the authority may require a business to submit any
41 information determined by the authority to be necessary and
42 relevant to its review.

43 The credit amount for any tax period ending after July 28,
44 **【2019】** 2021 during which the documentation of a business's credit
45 amount remains uncertified shall be forfeited, although credit
46 amounts for the remainder of the years of the 10-year credit period
47 shall remain available to it.

S3341 RUIZ

1 The credit amount that may be taken for a tax period of the
2 business that exceeds the final liabilities of the business for the tax
3 period may be carried forward for use by the business in the next 20
4 successive tax periods, and shall expire thereafter, provided that the
5 value of all credits approved by the authority against tax liabilities
6 pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) in any fiscal year
7 shall not exceed \$260,000,000.

8 The amount of credit allowed for a tax period to a business that
9 is a tenant in a qualified business facility shall not exceed the
10 business's total lease payments for occupancy of the qualified
11 business facility for the tax period.

12 (2) A business that is a partnership shall not be allowed a credit
13 under this section directly, but the amount of credit of an owner of a
14 business shall be determined by allocating to each owner of the
15 partnership that proportion of the credit of the business that is equal
16 to the owner of the partnership's share, whether or not distributed,
17 of the total distributive income or gain of the partnership for its tax
18 period ending within or at the end of the owner's tax period, or that
19 proportion that is allocated by an agreement, if any, among the
20 owners of the partnership that has been provided to the Director of
21 the Division of Taxation in the Department of the Treasury by the
22 time and accompanied by the additional information as the director
23 may require.

24 (3) The amount of credit allowed may be applied against the tax
25 liability otherwise due pursuant to section 5 of P.L.1945, c.162
26 (C.54:10A-5), pursuant to sections 2 and 3 of P.L.1945, c.132
27 (C.54:18A-2 and C.54:18A-3), pursuant to section 1 of P.L.1950,
28 c.231 (C.17:32-15), or pursuant to N.J.S.17B:23-5.

29 d. (1) If, in any tax period, fewer than 200 full-time employees
30 of the business at the qualified business facility are employed in
31 new full-time positions, the amount of the credit otherwise
32 determined pursuant to final calculation of the award of tax credits
33 pursuant to subsection c. of this section shall be reduced by 20
34 percent for that tax period and each subsequent tax period until the
35 first period for which documentation demonstrating the restoration
36 of the 200 full-time employees employed in new full-time positions
37 at the qualified business facility has been reviewed and approved by
38 the authority, for which tax period and each subsequent tax period
39 the full amount of the credit shall be allowed; provided, however,
40 that for businesses applying before January 1, 2010, there shall be
41 no reduction if a business relocates to an urban transit hub from
42 another location or other locations in the same municipality. For
43 the purposes of this paragraph, a "new full-time position" means a
44 position created by the business at the qualified business facility
45 that did not previously exist in this State.

46 (2) If, in any tax period, the business reduces the total number
47 of full-time employees in its Statewide workforce by more than 20
48 percent from the number of full-time employees in its Statewide

1 workforce in the last tax accounting or privilege period prior to the
2 credit amount approval under subsection a. of this section, then the
3 business shall forfeit its credit amount for that tax period and each
4 subsequent tax period, until the first tax period for which
5 documentation demonstrating the restoration of the business's
6 Statewide workforce to the threshold levels required by this
7 paragraph has been reviewed and approved by the authority, for
8 which tax period and each subsequent tax period the full amount of
9 the credit shall be allowed.

10 (3) If, in any tax period, (a) the number of full-time employees
11 employed by the business at the qualified business facility located
12 in an urban transit hub within an eligible municipality drops below
13 250, or (b) the number of full-time employees, who are not the
14 subject of intra-State job transfers, pursuant to paragraph (8) of
15 subsection a. of this section, employed by the business at any other
16 business facility in the State, whether or not located in an urban
17 transit hub within an eligible municipality, drops by more than 20
18 percent from the number of full-time employees in its workforce in
19 the last tax accounting or privilege period prior to the credit amount
20 approval under this section, then the business shall forfeit its credit
21 amount for that tax period and each subsequent tax period, until the
22 first tax period for which documentation demonstrating the
23 restoration of the number of full-time employees employed by the
24 business at the qualified business facility to 250 or an increase
25 above the 20 percent reduction has been reviewed and approved by
26 the authority, for which tax period and each subsequent tax period
27 the full amount of the credit shall be allowed.

28 (4) (i) If the qualified business facility is sold in whole or in
29 part during the 10-year eligibility period, the new owner shall not
30 acquire the capital investment of the seller and the seller shall
31 forfeit all credits for the tax period in which the sale occurs and all
32 subsequent tax periods; provided, however, that any credits of
33 tenants shall remain unaffected.

34 (ii) If a tenant subleases its tenancy in whole or in part during
35 the 10-year eligibility period, the new tenant shall not acquire the
36 credit of the sublessor, and the sublessor tenant shall forfeit all
37 credits for the tax period of its sublease and all subsequent tax
38 periods.

39 e. (1) The Executive Director of the New Jersey Economic
40 Development Authority, in consultation with the Director of the
41 Division of Taxation in the Department of the Treasury, shall adopt
42 rules in accordance with the "Administrative Procedure Act,"
43 P.L.1968, c.410 (C.52:14B-1 et seq.) as are necessary to implement
44 P.L.2007, c.346 (C.34:1B-207 et seq.), including, but not limited to:
45 examples of and the determination of capital investment; the
46 enumeration of eligible municipalities; specific delineation of urban
47 transit hubs; the determination of the limits, if any, on the expense
48 or type of furnishings that may constitute capital improvements; the

1 promulgation of procedures and forms necessary to apply for a
2 credit, including the enumeration of the certification procedures and
3 allocation of tax credits for different phases of a qualified business
4 facility or mixed use project; and provisions for credit applicants to
5 be charged an initial application fee, and ongoing service fees, to
6 cover the administrative costs related to the credit.

7 (2) Through regulation, the authority shall establish standards
8 based on the green building manual prepared by the Commissioner
9 of Community Affairs, pursuant to section 1 of P.L.2007, c.132
10 (C.52:27D-130.6), regarding the use of renewable energy, energy-
11 efficient technology, and non-renewable resources in order to
12 reduce environmental degradation and encourage long-term cost
13 reduction.

14 (cf: P.L.2015, c.252, s.1)

15

16 2. Section 35 of P.L.2009, c.90 (C.34:1B-209.3) is amended to
17 read as follows:

18 35. a. (1) A developer, upon application to and approval from
19 the authority, shall be allowed a credit of up to 35 percent of its
20 capital investment, or up to 40 percent for a project located in a
21 Garden State Growth Zone, made after the effective date of
22 P.L.2009, c.90 (C.52:27D-489a et al.) but prior to its submission of
23 documentation pursuant to subsection c. of this section, in a
24 qualified residential project, pursuant to the restrictions and
25 requirements of this section. To be eligible for any tax credits
26 authorized under this section, a developer shall demonstrate to the
27 authority, through a project pro forma analysis at the time of
28 application, that the qualified residential project is likely to be
29 realized with the provision of tax credits at the level requested, but
30 is not likely to be accomplished by private enterprise without the
31 tax credits. The value of all credits approved by the authority
32 pursuant to this section for qualified residential projects may be up
33 to \$150,000,000, except as may be increased by the authority as set
34 forth below and as set forth in paragraph (5) of this subsection;
35 provided; however, that the combined value of all credits approved
36 by the authority pursuant to section 3 of P.L.2007, c.346 (C.34:1B-
37 207) and this section shall not exceed \$1,750,000,000, except as
38 may be increased by the authority as set forth in paragraph (5) of
39 this subsection. The authority shall monitor application and
40 allocation activity under P.L.2007, c.346 (C.34:1B-207 et seq.), and
41 if sufficient credits are available after taking into account allocation
42 under P.L.2007, c.346 (C.34:1B-207 et seq.) to those qualified
43 business facilities for which applications have been filed or for
44 which applications are reasonably anticipated, and if the executive
45 director judges certain qualified residential projects to be
46 meritorious, the aforementioned \$150,000,000 cap may, in the
47 discretion of the executive director, from time to time, be exceeded
48 for allocation to qualified residential projects in amounts as the

1 executive director deems reasonable, justified, and appropriate. In
2 allocating all credits to qualified residential projects under this
3 section, the executive director shall take into account, together with
4 other factors deemed relevant by the executive director: input from
5 the municipality in which the project is to be located; whether the
6 project contributes to the recovery of areas affected by Hurricane
7 Sandy; whether the project furthers specific State or municipal
8 planning and development objectives, or both; and whether the
9 project furthers a public purpose, such as catalyzing urban
10 development or maximizing the value of vacant, dilapidated,
11 outmoded, government-owned, or underutilized property, or both.

12 (2) A developer shall make or acquire capital investments
13 totaling not less than \$50,000,000 in a qualified residential project
14 to be eligible for a credit under this section. A developer that
15 acquires a qualified residential project shall also be deemed to have
16 acquired the capital investment made or acquired by the seller.

17 (3) The capital investment requirement may be met by the
18 developer or by one or more of its affiliates.

19 (4) A developer of a mixed use project shall be allowed a credit
20 pursuant to subparagraph (a) or (b) of this paragraph, but not both.

21 (a) A developer shall be allowed a credit in accordance with this
22 section for a qualified residential project that includes a mixed use
23 project.

24 (b) A developer shall be allowed a credit of up to 35 percent of
25 its capital investment, or up to 40 percent for a project located in a
26 Garden State Growth Zone, made after the effective date of
27 P.L.2011, c.89, but prior to its submission of documentation
28 pursuant to subsection c. of this section, in a qualified residential
29 project that is part of a mixed use project, provided that:

30 (i) the capital investment in the qualified residential project
31 represents at least \$17,500,000 of the total capital investment in the
32 mixed use project; and

33 (ii) the total capital investment in the mixed use project of which
34 the qualified residential project is a part is not less than
35 \$50,000,000.

36 The allowance of credits under this paragraph shall be subject to
37 the restrictions and requirements, to the extent that those are not
38 inconsistent with the provisions of this paragraph, set forth in
39 paragraphs (1) through (3) of this subsection, including, but not
40 limited to, the requirement prescribed in paragraph (1) of this
41 subsection that the developer shall demonstrate to the authority,
42 through a project pro forma analysis at the time of application, that
43 the qualified residential project is likely to be realized with the
44 provision of tax credits at the level requested but is not likely to be
45 accomplished by private enterprise without the tax credits.

46 As used in this subparagraph:

47 "Mixed use project" means a project comprising both a qualified
48 residential project and a qualified business facility.

1 (5) The authority may approve and allocate credits for qualified
2 residential projects in a value sufficient to meet the requirements of
3 all applications that were received by the authority between October
4 24, 2012 and December 21, 2012, without regard to the terms of
5 any competitive solicitation, except for the \$33,000,000 per project
6 cap, and without need for reapplication by any applicant. The
7 authority shall take final action on those applications prior to the
8 120th day after the date of enactment of the "New Jersey Economic
9 Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.).

10 b. (1) A developer shall apply for the credit under this section
11 on or prior to December 21, 2012 but may thereafter supplement an
12 application as may be requested by the authority. A developer shall
13 submit its documentation for approval of its credit amount no later
14 than April 26, **[2019]** 2021.

15 (2) If a developer has submitted an application under this
16 section and the application has not been approved for any reason,
17 the lack of approval shall not serve to prejudice in any way the
18 consideration of a new application as may be submitted for the
19 project for the provision of incentives offered pursuant to the "New
20 Jersey Economic Opportunity Act of 2013," P.L.2013, c.161
21 (C.52:27D-489p et al.).

22 c. The credit shall be administered in accordance with the
23 provisions of subsections c. and e. of section 3 of P.L.2007, c.346
24 (C.34:1B-209), as amended by section 32 of P.L.2009, c.90, and
25 section 33 of P.L.2009, c.90 (C.34:1B-209.1), except that:

26 (1) all references therein to "business" and "qualified business
27 facility" shall be deemed to refer respectively to "developer" and
28 "qualified residential project," as those terms are defined in section
29 34 of P.L.2009, c.90 (C.34:1B-209.2); and

30 (2) all references therein to credits claimed by tenants and to
31 reductions or disqualifications in credits as determined by annual
32 review of the authority shall be disregarded.

33 For purposes of a "mixed use project" as that term is used and
34 defined pursuant to subparagraph (b) of paragraph (4) of subsection
35 a. of this section, "qualified business facility" means that term as
36 defined pursuant to section 2 of P.L.2007, c.346 (C.34:1B-208).

37 (cf: P.L.2015, c.252, s.2)

38

39 3. Section 6 of P.L.2009, c.90 (C.52:27D-489f) is amended to
40 read as follows:

41 6. a. Up to the limits established in subsection b. of this
42 section and in accordance with a redevelopment incentive grant
43 agreement, beginning upon the receipt of occupancy permits for any
44 portion of the redevelopment project, or upon any other event
45 evidencing project completion as set forth in the incentive grant
46 agreement, the State Treasurer shall pay to the developer
47 incremental State revenues directly realized from businesses
48 operating at the site of the redevelopment project from the

1 following taxes: the Corporation Business Tax Act (1945),
2 P.L.1945, c.162 (C.54:10A-1 et seq.), the tax imposed on marine
3 insurance companies pursuant to R.S.54:16-1 et seq., the tax
4 imposed on insurers generally, pursuant to P.L.1945, c.132
5 (C.54:18A-1 et seq.), the public utility franchise tax, public utilities
6 gross receipts tax and public utility excise tax imposed on sewerage
7 and water corporations pursuant to P.L.1940, c.5 (C.54:30A-49 et
8 seq.), those tariffs and charges imposed by electric, natural gas,
9 telecommunications, water and sewage utilities, and cable television
10 companies under the jurisdiction of the New Jersey Board of Public
11 Utilities, or comparable entity, except for those tariffs, fees, or taxes
12 related to societal benefits charges assessed pursuant to section 12
13 of P.L.1999, c.23 (C.48:3-60), any charges paid for compliance
14 with the "Global Warming Response Act," P.L.2007, c.112
15 (C.26:2C-37 et seq.), transitional energy facility assessment unit
16 taxes paid pursuant to section 67 of P.L.1997, c.162 (C.48:2-21.34),
17 and the sales and use taxes on public utility and cable television
18 services and commodities, the tax derived from net profits from
19 business, a distributive share of partnership income, or a pro rata
20 share of S corporation income under the "New Jersey Gross Income
21 Tax Act," N.J.S.54A:1-1 et seq., the tax derived from a business at
22 the site of a redevelopment project that is required to collect the tax
23 pursuant to the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-
24 1 et seq.), the tax imposed pursuant to P.L.1966, c.30 (C.54:32B-1
25 et seq.) from the purchase of furniture, fixtures and equipment, or
26 materials for the remediation, the construction of new structures at
27 the site of a redevelopment project, the hotel and motel occupancy
28 fee imposed pursuant to section 1 of P.L.2003, c.114 (C.54:32D-1),
29 or the portion of the fee imposed pursuant to section 3 of P.L.1968,
30 c.49 (C.46:15-7) derived from the sale of real property at the site of
31 the redevelopment project and paid to the State Treasurer for use by
32 the State, that is not credited to the "Shore Protection Fund" or the
33 "Neighborhood Preservation Nonlapsing Revolving Fund" ("New
34 Jersey Affordable Housing Trust Fund") pursuant to section 4 of
35 P.L.1968, c.49 (C.46:15-8). Any developer shall be allowed to
36 assign their ability to apply for the tax credit under this subsection
37 to a non-profit organization with a mission dedicated to attracting
38 investment and completing development and redevelopment
39 projects in a Garden State Growth Zone. The non-profit
40 organization may make an application on behalf of a developer
41 which meets the requirements for the tax credit, or a group of non-
42 qualifying developers, such that these will be considered a unified
43 project for the purposes of the incentives provided under this
44 section.

45 b. (1) Up to an average of 75 percent of the projected annual
46 incremental revenues or 85 percent of the projected annual
47 incremental revenues in a Garden State Growth Zone may be
48 pledged towards the State portion of an incentive grant.

1 (2) In the case of a qualified residential project or a project
2 involving university infrastructure, if the authority determines that
3 the estimated amount of incremental revenues pledged towards the
4 State portion of an incentive grant is inadequate to fully fund the
5 amount of the State portion of the incentive grant, then in lieu of an
6 incentive grant based on the incremental revenues, the developer
7 shall be awarded tax credits equal to the full amount of the
8 incentive grant.

9 (3) In the case of a mixed use parking project, if the authority
10 determines that the estimated amount of incremental revenues
11 pledged towards the State portion of an incentive grant is
12 inadequate to fully fund the amount of the State portion of the
13 incentive grant, then, in lieu of an incentive grant based on the
14 incremental revenues, the developer shall be awarded tax credits
15 equal to the full amount of the incentive grant.

16 The value of all credits approved by the authority pursuant to
17 paragraphs (2) and (3) of this subsection shall not exceed
18 \$823,000,000, of which:

19 (a) \$250,000,000 shall be restricted to qualified residential
20 projects within Atlantic, Burlington, Camden, Cape May,
21 Cumberland, Gloucester, Ocean, and Salem counties, of which
22 \$175,000,000 of the credits shall be restricted to the following
23 categories of projects: (i) qualified residential projects located in a
24 Garden State Growth Zone located within the aforementioned
25 counties; and (ii) mixed use parking projects located in a Garden
26 State Growth Zone or urban transit hub located within the
27 aforementioned counties; (iii) and \$75,000,000 of the credits shall
28 be restricted to qualified residential projects in municipalities with a
29 2007 Municipal Revitalization Index of 400 or higher as of the date
30 of enactment of the "New Jersey Economic Opportunity Act of
31 2013," P.L.2013, c.161 (C.52:27D-489p et al.) and located within
32 the aforementioned counties;

33 (b) \$395,000,000 shall be restricted to the following categories
34 of projects: (i) qualified residential projects located in urban transit
35 hubs that are commuter rail in nature that otherwise do not qualify
36 under subparagraph (a) of this paragraph; (ii) qualified residential
37 projects located in Garden State Growth Zones that do not qualify
38 under subparagraph (a) of this paragraph; (iii) mixed use parking
39 projects located in urban transit hubs or Garden State Growth Zones
40 that do not qualify under subparagraph (a) of this paragraph,
41 provided however, an urban transit hub shall be allocated no more
42 than \$25,000,000 for mixed use parking projects; (iv) qualified
43 residential projects which are disaster recovery projects that
44 otherwise do not qualify under subparagraph (a) of this paragraph;
45 (v) qualified residential projects in SDA municipalities located in
46 Hudson County that were awarded State Aid in State Fiscal Year
47 2013 through the Transitional Aid to Localities program and
48 otherwise do not qualify under subparagraph (a) of this paragraph;

1 (vi) \$25,000,000 of credits shall be restricted to mixed use parking
2 projects in Garden State Growth Zones which have a population in
3 excess of 125,000 and do not qualify under subparagraph (a) of this
4 paragraph; (vii) \$40,000,000 of credits shall be restricted to
5 qualified residential projects that include a theater venue for the
6 performing arts and do not qualify under subparagraph (a) of this
7 paragraph, which projects are located in a municipality with a
8 population of less than 100,000 according to the latest federal
9 decennial census, and within which municipality is located an urban
10 transit hub and a campus of a public research university, as defined
11 in section 1 of P.L.2009, c.308 (C.18A:3B-46); and (viii)
12 \$105,000,000 of credits shall be restricted to qualified residential
13 projects and mixed use parking projects in Garden State Growth
14 Zones having a population in excess of 125,000 and do not qualify
15 under subparagraph (a) of this paragraph;

16 (c) \$87,000,000 shall be restricted to the following categories of
17 projects: (i) qualified residential projects located in distressed
18 municipalities, deep poverty pockets, highlands development credit
19 receiving areas or redevelopment areas, otherwise not qualifying
20 pursuant to subparagraph (a) or (b) of this paragraph; and (ii) mixed
21 use parking projects that do not qualify under subparagraph (a) or
22 (b) of this paragraph, and which are used by an independent
23 institution of higher education, a school of medicine, a nonprofit
24 hospital system, or any combination thereof; provided, however,
25 that \$20,000,000 of the \$87,000,000 shall be allocated to mixed use
26 parking projects that do not qualify under subparagraph (a) or (b) of
27 this paragraph;

28 (d) (i) \$16,000,000 shall be restricted to qualified residential
29 projects that are located within a qualifying economic
30 redevelopment and growth grant incentive area otherwise not
31 qualifying under subparagraph (a), (b), or (c) of this paragraph; and

32 (ii) an additional \$50,000,000 shall be restricted to qualified
33 residential projects which, as of the effective date of P.L.2016, c.51,
34 are located in a city of the first class with a population in excess of
35 270,000, are subject to a Renewal Contract for a Section 8 Mark-
36 Up-To-Market Project from the United States Department of
37 Housing and Urban Development, and for which an application for
38 the award of tax credits under this subsection was submitted prior to
39 January 1, 2016; and

40 (e) \$25,000,000 shall be restricted to projects involving
41 university infrastructure.

42 (f) For subparagraphs (a) through (d) of this paragraph, not
43 more than \$40,000,000 of credits shall be awarded to any qualified
44 residential project in a deep poverty pocket or distressed
45 municipality and not more than \$20,000,000 of credits shall be
46 awarded to any other qualified residential project. The developer of
47 a qualified residential project seeking an award of credits towards
48 the funding of its incentive grant shall submit an incentive grant

1 application prior to July 1, 2016 and if approved after September
2 18, 2013, the effective date of P.L.2013, c.161 (C.52:27D-489p et
3 al.) shall submit a temporary certificate of occupancy for the project
4 no later than July 28, ~~2019~~ 2021. The developer of a mixed use
5 parking project seeking an award of credits towards the funding of
6 its incentive grant pursuant to subparagraph (c) of this paragraph
7 and if approved after the effective date of P.L.2015, c.217, shall
8 submit a temporary certificate of occupancy for the project no later
9 than July 28, 2021. The developer of a qualified residential project
10 or a mixed use parking project seeking an award of credits toward
11 the funding of its incentive grant for a project restricted under
12 category (viii) of subparagraph (b) of this paragraph shall submit an
13 incentive grant application prior to July 1, 2018, and if approved
14 after the effective date of P.L.2017, c.59, shall submit a temporary
15 certificate of occupancy for the project no later than July 28, 2021.
16 Applications for tax credits pursuant to this subsection relating to
17 an ancillary infrastructure project or infrastructure improvement in
18 the public right-of-way, or both, shall be accompanied with a letter
19 of support relating to the project or improvement by the governing
20 body or agency in which the project is located. Credits awarded to
21 a developer pursuant to this subsection shall be subject to the same
22 financial and related analysis by the authority, the same term of the
23 grant, and the same mechanism for administering the credits, and
24 shall be utilized or transferred by the developer as if the credits had
25 been awarded to the developer pursuant to section 35 of P.L.2009,
26 c.90 (C.34:1B-209.3) for qualified residential projects thereunder.
27 No portion of the revenues pledged pursuant to the "New Jersey
28 Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-
29 489p et al.) shall be subject to withholding or retainage for
30 adjustment, in the event the developer or taxpayer waives its rights
31 to claim a refund thereof.

32 (4) A developer may apply to the Director of the Division of
33 Taxation in the Department of the Treasury and the chief executive
34 officer of the authority for a tax credit transfer certificate, if the
35 developer is awarded a tax credit pursuant to paragraph (2) or
36 paragraph (3) of this subsection, covering one or more years, in lieu
37 of the developer being allowed any amount of the credit against the
38 tax liability of the developer. The tax credit transfer certificate,
39 upon receipt thereof by the developer from the director and the
40 chief executive officer of the authority, may be sold or assigned, in
41 full or in part, to any other person who may have a tax liability
42 pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), sections 2
43 and 3 of P.L.1945, c.132 (C.54:18A-2 and C.54:18A-3), section 1
44 of P.L.1950, c.231 (C.17:32-15), or N.J.S.17B:23-5. The certificate
45 provided to the developer shall include a statement waiving the
46 developer's right to claim that amount of the credit against the taxes
47 that the developer has elected to sell or assign. The sale or
48 assignment of any amount of a tax credit transfer certificate allowed

1 under this paragraph shall not be exchanged for consideration
2 received by the developer of less than 75 percent of the transferred
3 credit amount before considering any further discounting to present
4 value that may be permitted. Any amount of a tax credit transfer
5 certificate used by a purchaser or assignee against a tax liability
6 shall be subject to the same limitations and conditions that apply to
7 the use of the credit by the developer who originally applied for and
8 was allowed the credit.

9 c. All administrative costs associated with the incentive grant
10 shall be assessed to the applicant and be retained by the State
11 Treasurer from the annual incentive grant payments.

12 d. The incremental revenue for the revenues listed in
13 subsection a. of this section shall be calculated as the difference
14 between the amount collected in any fiscal year from any eligible
15 revenue source included in the State redevelopment incentive grant
16 agreement, less the revenue increment base for that eligible
17 revenue.

18 e. The municipality is authorized to collect any information
19 necessary to facilitate grants under this program and remit that
20 information in order to assist in the calculation of incremental
21 revenue.

22 (cf: P.L.2017, c.59, s.1)

23

24 4. This act shall take effect immediately.

25

26

27

STATEMENT

28

29 This bill extends for two years the document submission
30 deadlines applicable to a business or developer that is seeking to
31 receive tax credits under the Economic Redevelopment and Growth
32 Grant Program and the Urban Transit Hub Tax Credit Program.
33 Under those programs, the deadline to submit the required
34 documents is July 28, 2019. Under the bill, the deadline is July 28,
35 2019.

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 3341

STATE OF NEW JERSEY

DATED: NOVEMBER 30, 2017

The Senate Economic Growth Committee reports favorably Senate Bill No. 3341.

As reported, this bill extends for two years the document submission deadlines applicable to a business or developer that is seeking to receive tax credits under the Economic Redevelopment and Growth Grant Program (ERGG) and the Urban Transit Hub Tax Credit Program (UTHTC).

The deadline to submit the required documentation for approval of tax documents for certain residential and commercial UTHTC projects is extended from April 26, 2019 to April 26, 2021. The bill also changes from July 28, 2019 to July 28, 2021 the date when approved UTHTC projects will begin forfeiting annual tax credit awards if the project has not been certified as having met its investment capital and employment qualifications.

Finally, the bill extends the deadline by which certain residential ERGG projects are required to submit temporary certificates of occupancy from July 28, 2019 to July 28, 2021.

STATEMENT TO

SENATE, No. 3341

with Senate Floor Amendments
(Proposed by Senator RUIZ)

ADOPTED: DECEMBER 18, 2017

Under current law, a business whose application was approved by the New Jersey Economic Development Authority for eligibility under the Grow New Jersey Assistance Program prior to July 1, 2014 is required to submit its documentation to the authority no later than July 28, 2018, indicating that it has met the capital investment and employment requirements of the program. This floor amendment extends, from July 28, 2018 to July 28, 2019, that document submission deadline.

ASSEMBLY, No. 5050

STATE OF NEW JERSEY 217th LEGISLATURE

INTRODUCED JUNE 26, 2017

Sponsored by:

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex)

SYNOPSIS

Extends document submission deadlines under Economic Redevelopment and Growth Grant Program and Urban Transit Hub Tax Credit Program.

CURRENT VERSION OF TEXT

As introduced.



A5050 PINTOR MARIN

2

1 AN ACT concerning certain business tax credit program document
2 submission deadlines and amending P.L.2007, c.346 and
3 P.L.2009, c.90.

4

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

7

8 1. Section 3 of P.L.2007, c.346 (C.34:1B-209) is amended to
9 read as follows:

10 3. a. (1) A business, upon application to and approval from
11 the authority, shall be allowed a credit of 100 percent of its capital
12 investment, made after the effective date of P.L.2007, c.346
13 (C.34:1B-207 et seq.) but prior to its submission of documentation
14 pursuant to subsection c. of this section, in a qualified business
15 facility within an eligible municipality, pursuant to the restrictions
16 and requirements of this section. To be eligible for any tax credits
17 authorized under this section, a business shall demonstrate to the
18 authority, at the time of application, that the State's financial
19 support of the proposed capital investment in a qualified business
20 facility will yield a net positive benefit to both the State and the
21 eligible municipality. The value of all credits approved by the
22 authority pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) shall
23 not exceed \$1,750,000,000, except as may be increased by the
24 authority as set forth in paragraph (5) of subsection a. of P.L.2009,
25 c.90 (C.34:1B-209.3) and section 6 of P.L.2010, c.57 (C.34:1B-
26 209.4).

27 (2) A business, other than a tenant eligible pursuant to
28 paragraph (3) of this subsection, shall make or acquire capital
29 investments totaling not less than \$50,000,000 in a qualified
30 business facility, at which the business shall employ not fewer than
31 250 full-time employees to be eligible for a credit under this
32 section. A business that acquires a qualified business facility shall
33 also be deemed to have acquired the capital investment made or
34 acquired by the seller.

35 (3) A business that is a tenant in a qualified business facility, the
36 owner of which has made or acquired capital investments in the
37 facility totaling not less than \$50,000,000, shall occupy a leased
38 area of the qualified business facility that represents at least
39 \$17,500,000 of the capital investment in the facility at which the
40 tenant business and up to two other tenants in the qualified business
41 facility shall employ not fewer than 250 full-time employees in the
42 aggregate to be eligible for a credit under this section. The amount
43 of capital investment in a facility that a leased area represents shall
44 be equal to that percentage of the owner's total capital investment in
45 the facility that the percentage of net leasable area leased by the

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.

1 tenant is of the total net leasable area of the qualified business
2 facility. Capital investments made by a tenant shall be deemed to
3 be included in the calculation of the capital investment made or
4 acquired by the owner, but only to the extent necessary to meet the
5 owner's minimum capital investment of \$50,000,000. Capital
6 investments made by a tenant and not allocated to meet the owner's
7 minimum capital investment threshold of \$50,000,000 shall be
8 added to the amount of capital investment represented by the
9 tenant's leased area in the qualified business facility.

10 (4) A business shall not be allowed tax credits under this section
11 if the business participates in a business employment incentive
12 agreement, pursuant to P.L.1996, c.26 (C.34:1B-124 et seq.),
13 relating to the same capital and employees that qualify the business
14 for this credit, or if the business receives assistance pursuant to
15 P.L.1996, c.25 (C.34:1B-112 et seq.). A business that is allowed a
16 tax credit under this section shall not be eligible for incentives
17 authorized pursuant to P.L.2002, c.43 (C.52:27BBB-1 et al.). A
18 business shall not qualify for a tax credit under this section, based
19 upon its capital investment and the employment of full-time
20 employees, if that capital investment or employment was the basis
21 for which a grant was provided to the business pursuant to the
22 "InvestNJ Business Grant Program Act," P.L.2008, c.112 (C.34:1B-
23 237 et seq.).

24 (5) Full-time employment for an accounting or a privilege
25 period shall be determined as the average of the monthly full-time
26 employment for the period.

27 (6) The capital investment of the owner of a qualified business
28 facility is that percentage of the capital investment made or
29 acquired by the owner of the building that the percentage of net
30 leasable area of the qualified business facility not leased to tenants
31 is of the total net leasable area of the qualified business facility.

32 (7) A business shall be allowed a tax credit of 100 percent of its
33 capital investment, made after the effective date of P.L.2011, c.89
34 but prior to its submission of documentation pursuant to subsection
35 c. of this section, in a qualified business facility that is part of a
36 mixed use project, provided that (a) the qualified business facility
37 represents at least \$17,500,000 of the total capital investment in the
38 mixed use project, (b) the business employs not fewer than 250 full-
39 time employees in the qualified business facility, and (c) the total
40 capital investment in the mixed use project of which the qualified
41 business facility is a part is not less than \$50,000,000. The
42 allowance of credits under this paragraph shall be subject to the
43 restrictions and requirements, to the extent that those are not
44 inconsistent with the provisions of this paragraph, set forth in
45 paragraphs (1) through (6) of this subsection, including, but not
46 limited to, the requirement that the business shall demonstrate to the
47 authority, at the time of application, that the State's financial
48 support of the proposed capital investment in a qualified business

1 facility will yield a net positive benefit to both the State and the
2 eligible municipality.

3 (8) In determining whether a proposed capital investment will
4 yield a net positive benefit, the authority shall not consider the
5 transfer of an existing job from one location in the State to another
6 location in the State as the creation of a new job, unless (a) the
7 business proposes to transfer existing jobs to a municipality in the
8 State as part of a consolidation of business operations from two or
9 more other locations that are not in the same municipality whether
10 in-State or out-of-State, or (b) the business's chief executive officer,
11 or equivalent officer, submits a certification to the authority
12 indicating that the existing jobs are at risk of leaving the State and
13 that the business's chief executive officer, or equivalent officer, has
14 reviewed the information submitted to the authority and that the
15 representations contained therein are accurate, and the business
16 intends to employ not fewer than 500 full-time employees in the
17 qualified business facility. In the event that this certification by the
18 business's chief executive officer, or equivalent officer, is found to
19 be willfully false, the authority may revoke any award of tax credits
20 in their entirety, which revocation shall be in addition to any other
21 criminal or civil penalties that the business and the officer may be
22 subject to. When considering an application involving intra-State
23 job transfers, the authority shall require the company to submit the
24 following information as part of its application: a full economic
25 analysis of all locations under consideration by the company; all
26 lease agreements, ownership documents, or substantially similar
27 documentation for the business's current in-State locations; and all
28 lease agreements, ownership documents, or substantially similar
29 documentation for the potential out-of-State location alternatives, to
30 the extent they exist. Based on this information, and any other
31 information deemed relevant by the authority, the authority shall
32 independently verify and confirm, by way of making a factual
33 finding by separate vote of the authority's board, the business's
34 assertion that the jobs are actually at risk of leaving the State,
35 before a business may be awarded any tax credits under this section.

36 b. (1) If applications under this section have been received by
37 the authority prior to the effective date of the "New Jersey
38 Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-
39 489p et al.), then, to the extent that there remains sufficient
40 financial authorization for the award of a tax credit, the authority is
41 authorized to consider those applications and to make awards of tax
42 credits to eligible applicants, provided that the authority shall take
43 final action on those applications no later than December 31, 2013.

44 (2) A business shall apply for the credit under this section prior
45 to the effective date of the "New Jersey Economic Opportunity Act
46 of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), and shall submit
47 its documentation for approval of its credit amount no later than
48 April 26, **[2019]** 2021.

1 (3) If a business has submitted an application under this section
2 and that application has not been approved for any reason, the lack
3 of approval shall not serve to prejudice in any way the
4 consideration of a new application as may be submitted for the
5 qualified business facility for the provision of incentives offered
6 pursuant to the "New Jersey Economic Opportunity Act of 2013,"
7 P.L.2013, c.161 (C.52:27D-489p et al.).

8 (4) Tax credits awarded pursuant to P.L.2007, c.346 (C.34:1B-
9 207 et seq.) for applications submitted to and approved by the
10 authority prior to the effective date of the "New Jersey Economic
11 Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.),
12 shall be administered by the authority in the manner established
13 prior to that date.

14 (5) With respect to an application received by the authority prior
15 to the effective date of the "New Jersey Economic Opportunity Act
16 of 2013," P.L.2013, c.161 (C.52:27D-489p et al.) for a qualified
17 business facility that is located on or adjacent to the campus of an
18 acute care medical facility, (a) the minimum number of full-time
19 employees required for eligibility under the program may be
20 employed by any number of tenants or other occupants of the
21 facility, in the aggregate, and the initial satisfaction of the
22 requirement following completion of the project shall be deemed to
23 satisfy the employment requirements of the program in all respects,
24 and (b) if the capital investment in the facility exceeds
25 \$100,000,000, the determination of the net positive benefit yield
26 shall be based on the benefits generated during a period of up to 30
27 years following the completion of the project, as determined by the
28 authority.

29 c. (1) The amount of credit allowed shall, except as otherwise
30 provided, be equal to the capital investment made by the business,
31 or the capital investment represented by the business's leased area,
32 or area owned by the business as a condominium, and shall be taken
33 over a 10-year period, at the rate of one-tenth of the total amount of
34 the business's credit for each tax accounting or privilege period of
35 the business, beginning with the tax period in which the business is
36 first certified by the authority as having met the investment capital
37 and employment qualifications, subject to any reduction or
38 disqualification as provided by subsection d. of this section as
39 determined by annual review by the authority. In conducting its
40 annual review, the authority may require a business to submit any
41 information determined by the authority to be necessary and
42 relevant to its review.

43 The credit amount for any tax period ending after July 28,
44 **【2019】** 2021 during which the documentation of a business's credit
45 amount remains uncertified shall be forfeited, although credit
46 amounts for the remainder of the years of the 10-year credit period
47 shall remain available to it.

1 The credit amount that may be taken for a tax period of the
2 business that exceeds the final liabilities of the business for the tax
3 period may be carried forward for use by the business in the next 20
4 successive tax periods, and shall expire thereafter, provided that the
5 value of all credits approved by the authority against tax liabilities
6 pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) in any fiscal year
7 shall not exceed \$260,000,000.

8 The amount of credit allowed for a tax period to a business that
9 is a tenant in a qualified business facility shall not exceed the
10 business's total lease payments for occupancy of the qualified
11 business facility for the tax period.

12 (2) A business that is a partnership shall not be allowed a credit
13 under this section directly, but the amount of credit of an owner of a
14 business shall be determined by allocating to each owner of the
15 partnership that proportion of the credit of the business that is equal
16 to the owner of the partnership's share, whether or not distributed,
17 of the total distributive income or gain of the partnership for its tax
18 period ending within or at the end of the owner's tax period, or that
19 proportion that is allocated by an agreement, if any, among the
20 owners of the partnership that has been provided to the Director of
21 the Division of Taxation in the Department of the Treasury by the
22 time and accompanied by the additional information as the director
23 may require.

24 (3) The amount of credit allowed may be applied against the tax
25 liability otherwise due pursuant to section 5 of P.L.1945, c.162
26 (C.54:10A-5), pursuant to sections 2 and 3 of P.L.1945, c.132
27 (C.54:18A-2 and C.54:18A-3), pursuant to section 1 of P.L.1950,
28 c.231 (C.17:32-15), or pursuant to N.J.S.17B:23-5.

29 d. (1) If, in any tax period, fewer than 200 full-time employees
30 of the business at the qualified business facility are employed in
31 new full-time positions, the amount of the credit otherwise
32 determined pursuant to final calculation of the award of tax credits
33 pursuant to subsection c. of this section shall be reduced by 20
34 percent for that tax period and each subsequent tax period until the
35 first period for which documentation demonstrating the restoration
36 of the 200 full-time employees employed in new full-time positions
37 at the qualified business facility has been reviewed and approved by
38 the authority, for which tax period and each subsequent tax period
39 the full amount of the credit shall be allowed; provided, however,
40 that for businesses applying before January 1, 2010, there shall be
41 no reduction if a business relocates to an urban transit hub from
42 another location or other locations in the same municipality. For
43 the purposes of this paragraph, a "new full-time position" means a
44 position created by the business at the qualified business facility
45 that did not previously exist in this State.

46 (2) If, in any tax period, the business reduces the total number
47 of full-time employees in its Statewide workforce by more than 20
48 percent from the number of full-time employees in its Statewide

1 workforce in the last tax accounting or privilege period prior to the
2 credit amount approval under subsection a. of this section, then the
3 business shall forfeit its credit amount for that tax period and each
4 subsequent tax period, until the first tax period for which
5 documentation demonstrating the restoration of the business's
6 Statewide workforce to the threshold levels required by this
7 paragraph has been reviewed and approved by the authority, for
8 which tax period and each subsequent tax period the full amount of
9 the credit shall be allowed.

10 (3) If, in any tax period, (a) the number of full-time employees
11 employed by the business at the qualified business facility located
12 in an urban transit hub within an eligible municipality drops below
13 250, or (b) the number of full-time employees, who are not the
14 subject of intra-State job transfers, pursuant to paragraph (8) of
15 subsection a. of this section, employed by the business at any other
16 business facility in the State, whether or not located in an urban
17 transit hub within an eligible municipality, drops by more than 20
18 percent from the number of full-time employees in its workforce in
19 the last tax accounting or privilege period prior to the credit amount
20 approval under this section, then the business shall forfeit its credit
21 amount for that tax period and each subsequent tax period, until the
22 first tax period for which documentation demonstrating the
23 restoration of the number of full-time employees employed by the
24 business at the qualified business facility to 250 or an increase
25 above the 20 percent reduction has been reviewed and approved by
26 the authority, for which tax period and each subsequent tax period
27 the full amount of the credit shall be allowed.

28 (4) (i) If the qualified business facility is sold in whole or in
29 part during the 10-year eligibility period, the new owner shall not
30 acquire the capital investment of the seller and the seller shall
31 forfeit all credits for the tax period in which the sale occurs and all
32 subsequent tax periods; provided, however, that any credits of
33 tenants shall remain unaffected.

34 (ii) If a tenant subleases its tenancy in whole or in part during
35 the 10-year eligibility period, the new tenant shall not acquire the
36 credit of the sublessor, and the sublessor tenant shall forfeit all
37 credits for the tax period of its sublease and all subsequent tax
38 periods.

39 e. (1) The Executive Director of the New Jersey Economic
40 Development Authority, in consultation with the Director of the
41 Division of Taxation in the Department of the Treasury, shall adopt
42 rules in accordance with the "Administrative Procedure Act,"
43 P.L.1968, c.410 (C.52:14B-1 et seq.) as are necessary to implement
44 P.L.2007, c.346 (C.34:1B-207 et seq.), including, but not limited to:
45 examples of and the determination of capital investment; the
46 enumeration of eligible municipalities; specific delineation of urban
47 transit hubs; the determination of the limits, if any, on the expense
48 or type of furnishings that may constitute capital improvements; the

1 promulgation of procedures and forms necessary to apply for a
2 credit, including the enumeration of the certification procedures and
3 allocation of tax credits for different phases of a qualified business
4 facility or mixed use project; and provisions for credit applicants to
5 be charged an initial application fee, and ongoing service fees, to
6 cover the administrative costs related to the credit.

7 (2) Through regulation, the authority shall establish standards
8 based on the green building manual prepared by the Commissioner
9 of Community Affairs, pursuant to section 1 of P.L.2007, c.132
10 (C.52:27D-130.6), regarding the use of renewable energy, energy-
11 efficient technology, and non-renewable resources in order to
12 reduce environmental degradation and encourage long-term cost
13 reduction.

14 (cf: P.L.2015, c.252, s.1)

15

16 2. Section 35 of P.L.2009, c.90 (C.34:1B-209.3) is amended to
17 read as follows:

18 35. a. (1) A developer, upon application to and approval from
19 the authority, shall be allowed a credit of up to 35 percent of its
20 capital investment, or up to 40 percent for a project located in a
21 Garden State Growth Zone, made after the effective date of
22 P.L.2009, c.90 (C.52:27D-489a et al.) but prior to its submission of
23 documentation pursuant to subsection c. of this section, in a
24 qualified residential project, pursuant to the restrictions and
25 requirements of this section. To be eligible for any tax credits
26 authorized under this section, a developer shall demonstrate to the
27 authority, through a project pro forma analysis at the time of
28 application, that the qualified residential project is likely to be
29 realized with the provision of tax credits at the level requested, but
30 is not likely to be accomplished by private enterprise without the
31 tax credits. The value of all credits approved by the authority
32 pursuant to this section for qualified residential projects may be up
33 to \$150,000,000, except as may be increased by the authority as set
34 forth below and as set forth in paragraph (5) of this subsection;
35 provided; however, that the combined value of all credits approved
36 by the authority pursuant to section 3 of P.L.2007, c.346 (C.34:1B-
37 207) and this section shall not exceed \$1,750,000,000, except as
38 may be increased by the authority as set forth in paragraph (5) of
39 this subsection. The authority shall monitor application and
40 allocation activity under P.L.2007, c.346 (C.34:1B-207 et seq.), and
41 if sufficient credits are available after taking into account allocation
42 under P.L.2007, c.346 (C.34:1B-207 et seq.) to those qualified
43 business facilities for which applications have been filed or for
44 which applications are reasonably anticipated, and if the executive
45 director judges certain qualified residential projects to be
46 meritorious, the aforementioned \$150,000,000 cap may, in the
47 discretion of the executive director, from time to time, be exceeded
48 for allocation to qualified residential projects in amounts as the

1 executive director deems reasonable, justified, and appropriate. In
2 allocating all credits to qualified residential projects under this
3 section, the executive director shall take into account, together with
4 other factors deemed relevant by the executive director: input from
5 the municipality in which the project is to be located; whether the
6 project contributes to the recovery of areas affected by Hurricane
7 Sandy; whether the project furthers specific State or municipal
8 planning and development objectives, or both; and whether the
9 project furthers a public purpose, such as catalyzing urban
10 development or maximizing the value of vacant, dilapidated,
11 outmoded, government-owned, or underutilized property, or both.

12 (2) A developer shall make or acquire capital investments
13 totaling not less than \$50,000,000 in a qualified residential project
14 to be eligible for a credit under this section. A developer that
15 acquires a qualified residential project shall also be deemed to have
16 acquired the capital investment made or acquired by the seller.

17 (3) The capital investment requirement may be met by the
18 developer or by one or more of its affiliates.

19 (4) A developer of a mixed use project shall be allowed a credit
20 pursuant to subparagraph (a) or (b) of this paragraph, but not both.

21 (a) A developer shall be allowed a credit in accordance with this
22 section for a qualified residential project that includes a mixed use
23 project.

24 (b) A developer shall be allowed a credit of up to 35 percent of
25 its capital investment, or up to 40 percent for a project located in a
26 Garden State Growth Zone, made after the effective date of
27 P.L.2011, c.89, but prior to its submission of documentation
28 pursuant to subsection c. of this section, in a qualified residential
29 project that is part of a mixed use project, provided that:

30 (i) the capital investment in the qualified residential project
31 represents at least \$17,500,000 of the total capital investment in the
32 mixed use project; and

33 (ii) the total capital investment in the mixed use project of which
34 the qualified residential project is a part is not less than
35 \$50,000,000.

36 The allowance of credits under this paragraph shall be subject to
37 the restrictions and requirements, to the extent that those are not
38 inconsistent with the provisions of this paragraph, set forth in
39 paragraphs (1) through (3) of this subsection, including, but not
40 limited to, the requirement prescribed in paragraph (1) of this
41 subsection that the developer shall demonstrate to the authority,
42 through a project pro forma analysis at the time of application, that
43 the qualified residential project is likely to be realized with the
44 provision of tax credits at the level requested but is not likely to be
45 accomplished by private enterprise without the tax credits.

46 As used in this subparagraph:

47 "Mixed use project" means a project comprising both a qualified
48 residential project and a qualified business facility.

1 (5) The authority may approve and allocate credits for qualified
2 residential projects in a value sufficient to meet the requirements of
3 all applications that were received by the authority between October
4 24, 2012 and December 21, 2012, without regard to the terms of
5 any competitive solicitation, except for the \$33,000,000 per project
6 cap, and without need for reapplication by any applicant. The
7 authority shall take final action on those applications prior to the
8 120th day after the date of enactment of the "New Jersey Economic
9 Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.).

10 b. (1) A developer shall apply for the credit under this section
11 on or prior to December 21, 2012 but may thereafter supplement an
12 application as may be requested by the authority. A developer shall
13 submit its documentation for approval of its credit amount no later
14 than April 26, **[2019]** 2021.

15 (2) If a developer has submitted an application under this
16 section and the application has not been approved for any reason,
17 the lack of approval shall not serve to prejudice in any way the
18 consideration of a new application as may be submitted for the
19 project for the provision of incentives offered pursuant to the "New
20 Jersey Economic Opportunity Act of 2013," P.L.2013, c.161
21 (C.52:27D-489p et al.).

22 c. The credit shall be administered in accordance with the
23 provisions of subsections c. and e. of section 3 of P.L.2007, c.346
24 (C.34:1B-209), as amended by section 32 of P.L.2009, c.90, and
25 section 33 of P.L.2009, c.90 (C.34:1B-209.1), except that:

26 (1) all references therein to "business" and "qualified business
27 facility" shall be deemed to refer respectively to "developer" and
28 "qualified residential project," as those terms are defined in section
29 34 of P.L.2009, c.90 (C.34:1B-209.2); and

30 (2) all references therein to credits claimed by tenants and to
31 reductions or disqualifications in credits as determined by annual
32 review of the authority shall be disregarded.

33 For purposes of a "mixed use project" as that term is used and
34 defined pursuant to subparagraph (b) of paragraph (4) of subsection
35 a. of this section, "qualified business facility" means that term as
36 defined pursuant to section 2 of P.L.2007, c.346 (C.34:1B-208).

37 (cf: P.L.2015, c.252, s.2)

38

39 3. Section 6 of P.L.2009, c.90 (C.52:27D-489f) is amended to
40 read as follows:

41 6. a. Up to the limits established in subsection b. of this
42 section and in accordance with a redevelopment incentive grant
43 agreement, beginning upon the receipt of occupancy permits for any
44 portion of the redevelopment project, or upon any other event
45 evidencing project completion as set forth in the incentive grant
46 agreement, the State Treasurer shall pay to the developer
47 incremental State revenues directly realized from businesses
48 operating at the site of the redevelopment project from the

1 following taxes: the Corporation Business Tax Act (1945),
2 P.L.1945, c.162 (C.54:10A-1 et seq.), the tax imposed on marine
3 insurance companies pursuant to R.S.54:16-1 et seq., the tax
4 imposed on insurers generally, pursuant to P.L.1945, c.132
5 (C.54:18A-1 et seq.), the public utility franchise tax, public utilities
6 gross receipts tax and public utility excise tax imposed on sewerage
7 and water corporations pursuant to P.L.1940, c.5 (C.54:30A-49 et
8 seq.), those tariffs and charges imposed by electric, natural gas,
9 telecommunications, water and sewage utilities, and cable television
10 companies under the jurisdiction of the New Jersey Board of Public
11 Utilities, or comparable entity, except for those tariffs, fees, or taxes
12 related to societal benefits charges assessed pursuant to section 12
13 of P.L.1999, c.23 (C.48:3-60), any charges paid for compliance
14 with the "Global Warming Response Act," P.L.2007, c.112
15 (C.26:2C-37 et seq.), transitional energy facility assessment unit
16 taxes paid pursuant to section 67 of P.L.1997, c.162 (C.48:2-21.34),
17 and the sales and use taxes on public utility and cable television
18 services and commodities, the tax derived from net profits from
19 business, a distributive share of partnership income, or a pro rata
20 share of S corporation income under the "New Jersey Gross Income
21 Tax Act," N.J.S.54A:1-1 et seq., the tax derived from a business at
22 the site of a redevelopment project that is required to collect the tax
23 pursuant to the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-
24 1 et seq.), the tax imposed pursuant to P.L.1966, c.30 (C.54:32B-1
25 et seq.) from the purchase of furniture, fixtures and equipment, or
26 materials for the remediation, the construction of new structures at
27 the site of a redevelopment project, the hotel and motel occupancy
28 fee imposed pursuant to section 1 of P.L.2003, c.114 (C.54:32D-1),
29 or the portion of the fee imposed pursuant to section 3 of P.L.1968,
30 c.49 (C.46:15-7) derived from the sale of real property at the site of
31 the redevelopment project and paid to the State Treasurer for use by
32 the State, that is not credited to the "Shore Protection Fund" or the
33 "Neighborhood Preservation Nonlapsing Revolving Fund" ("New
34 Jersey Affordable Housing Trust Fund") pursuant to section 4 of
35 P.L.1968, c.49 (C.46:15-8). Any developer shall be allowed to
36 assign their ability to apply for the tax credit under this subsection
37 to a non-profit organization with a mission dedicated to attracting
38 investment and completing development and redevelopment
39 projects in a Garden State Growth Zone. The non-profit
40 organization may make an application on behalf of a developer
41 which meets the requirements for the tax credit, or a group of non-
42 qualifying developers, such that these will be considered a unified
43 project for the purposes of the incentives provided under this
44 section.

45 b. (1) Up to an average of 75 percent of the projected annual
46 incremental revenues or 85 percent of the projected annual
47 incremental revenues in a Garden State Growth Zone may be
48 pledged towards the State portion of an incentive grant.

1 (2) In the case of a qualified residential project or a project
2 involving university infrastructure, if the authority determines that
3 the estimated amount of incremental revenues pledged towards the
4 State portion of an incentive grant is inadequate to fully fund the
5 amount of the State portion of the incentive grant, then in lieu of an
6 incentive grant based on the incremental revenues, the developer
7 shall be awarded tax credits equal to the full amount of the
8 incentive grant.

9 (3) In the case of a mixed use parking project, if the authority
10 determines that the estimated amount of incremental revenues
11 pledged towards the State portion of an incentive grant is
12 inadequate to fully fund the amount of the State portion of the
13 incentive grant, then, in lieu of an incentive grant based on the
14 incremental revenues, the developer shall be awarded tax credits
15 equal to the full amount of the incentive grant.

16 The value of all credits approved by the authority pursuant to
17 paragraphs (2) and (3) of this subsection shall not exceed
18 \$823,000,000, of which:

19 (a) \$250,000,000 shall be restricted to qualified residential
20 projects within Atlantic, Burlington, Camden, Cape May,
21 Cumberland, Gloucester, Ocean, and Salem counties, of which
22 \$175,000,000 of the credits shall be restricted to the following
23 categories of projects: (i) qualified residential projects located in a
24 Garden State Growth Zone located within the aforementioned
25 counties; and (ii) mixed use parking projects located in a Garden
26 State Growth Zone or urban transit hub located within the
27 aforementioned counties; (iii) and \$75,000,000 of the credits shall
28 be restricted to qualified residential projects in municipalities with a
29 2007 Municipal Revitalization Index of 400 or higher as of the date
30 of enactment of the "New Jersey Economic Opportunity Act of
31 2013," P.L.2013, c.161 (C.52:27D-489p et al.) and located within
32 the aforementioned counties;

33 (b) \$395,000,000 shall be restricted to the following categories
34 of projects: (i) qualified residential projects located in urban transit
35 hubs that are commuter rail in nature that otherwise do not qualify
36 under subparagraph (a) of this paragraph; (ii) qualified residential
37 projects located in Garden State Growth Zones that do not qualify
38 under subparagraph (a) of this paragraph; (iii) mixed use parking
39 projects located in urban transit hubs or Garden State Growth Zones
40 that do not qualify under subparagraph (a) of this paragraph,
41 provided however, an urban transit hub shall be allocated no more
42 than \$25,000,000 for mixed use parking projects; (iv) qualified
43 residential projects which are disaster recovery projects that
44 otherwise do not qualify under subparagraph (a) of this paragraph;
45 (v) qualified residential projects in SDA municipalities located in
46 Hudson County that were awarded State Aid in State Fiscal Year
47 2013 through the Transitional Aid to Localities program and
48 otherwise do not qualify under subparagraph (a) of this paragraph;

1 (vi) \$25,000,000 of credits shall be restricted to mixed use parking
2 projects in Garden State Growth Zones which have a population in
3 excess of 125,000 and do not qualify under subparagraph (a) of this
4 paragraph; (vii) \$40,000,000 of credits shall be restricted to
5 qualified residential projects that include a theater venue for the
6 performing arts and do not qualify under subparagraph (a) of this
7 paragraph, which projects are located in a municipality with a
8 population of less than 100,000 according to the latest federal
9 decennial census, and within which municipality is located an urban
10 transit hub and a campus of a public research university, as defined
11 in section 1 of P.L.2009, c.308 (C.18A:3B-46); and (viii)
12 \$105,000,000 of credits shall be restricted to qualified residential
13 projects and mixed use parking projects in Garden State Growth
14 Zones having a population in excess of 125,000 and do not qualify
15 under subparagraph (a) of this paragraph;

16 (c) \$87,000,000 shall be restricted to the following categories of
17 projects: (i) qualified residential projects located in distressed
18 municipalities, deep poverty pockets, highlands development credit
19 receiving areas or redevelopment areas, otherwise not qualifying
20 pursuant to subparagraph (a) or (b) of this paragraph; and (ii) mixed
21 use parking projects that do not qualify under subparagraph (a) or
22 (b) of this paragraph, and which are used by an independent
23 institution of higher education, a school of medicine, a nonprofit
24 hospital system, or any combination thereof; provided, however,
25 that \$20,000,000 of the \$87,000,000 shall be allocated to mixed use
26 parking projects that do not qualify under subparagraph (a) or (b) of
27 this paragraph;

28 (d) (i) \$16,000,000 shall be restricted to qualified residential
29 projects that are located within a qualifying economic
30 redevelopment and growth grant incentive area otherwise not
31 qualifying under subparagraph (a), (b), or (c) of this paragraph; and

32 (ii) an additional \$50,000,000 shall be restricted to qualified
33 residential projects which, as of the effective date of P.L.2016, c.51,
34 are located in a city of the first class with a population in excess of
35 270,000, are subject to a Renewal Contract for a Section 8 Mark-
36 Up-To-Market Project from the United States Department of
37 Housing and Urban Development, and for which an application for
38 the award of tax credits under this subsection was submitted prior to
39 January 1, 2016; and

40 (e) \$25,000,000 shall be restricted to projects involving
41 university infrastructure.

42 (f) For subparagraphs (a) through (d) of this paragraph, not
43 more than \$40,000,000 of credits shall be awarded to any qualified
44 residential project in a deep poverty pocket or distressed
45 municipality and not more than \$20,000,000 of credits shall be
46 awarded to any other qualified residential project. The developer of
47 a qualified residential project seeking an award of credits towards
48 the funding of its incentive grant shall submit an incentive grant

1 application prior to July 1, 2016 and if approved after September
2 18, 2013, the effective date of P.L.2013, c.161 (C.52:27D-489p et
3 al.) shall submit a temporary certificate of occupancy for the project
4 no later than July 28, ~~2019~~ 2021. The developer of a mixed use
5 parking project seeking an award of credits towards the funding of
6 its incentive grant pursuant to subparagraph (c) of this paragraph
7 and if approved after the effective date of P.L.2015, c.217, shall
8 submit a temporary certificate of occupancy for the project no later
9 than July 28, 2021. The developer of a qualified residential project
10 or a mixed use parking project seeking an award of credits toward
11 the funding of its incentive grant for a project restricted under
12 category (viii) of subparagraph (b) of this paragraph shall submit an
13 incentive grant application prior to July 1, 2018, and if approved
14 after the effective date of P.L.2017, c.59, shall submit a temporary
15 certificate of occupancy for the project no later than July 28, 2021.
16 Applications for tax credits pursuant to this subsection relating to
17 an ancillary infrastructure project or infrastructure improvement in
18 the public right-of-way, or both, shall be accompanied with a letter
19 of support relating to the project or improvement by the governing
20 body or agency in which the project is located. Credits awarded to
21 a developer pursuant to this subsection shall be subject to the same
22 financial and related analysis by the authority, the same term of the
23 grant, and the same mechanism for administering the credits, and
24 shall be utilized or transferred by the developer as if the credits had
25 been awarded to the developer pursuant to section 35 of P.L.2009,
26 c.90 (C.34:1B-209.3) for qualified residential projects thereunder.
27 No portion of the revenues pledged pursuant to the "New Jersey
28 Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-
29 489p et al.) shall be subject to withholding or retainage for
30 adjustment, in the event the developer or taxpayer waives its rights
31 to claim a refund thereof.

32 (4) A developer may apply to the Director of the Division of
33 Taxation in the Department of the Treasury and the chief executive
34 officer of the authority for a tax credit transfer certificate, if the
35 developer is awarded a tax credit pursuant to paragraph (2) or
36 paragraph (3) of this subsection, covering one or more years, in lieu
37 of the developer being allowed any amount of the credit against the
38 tax liability of the developer. The tax credit transfer certificate,
39 upon receipt thereof by the developer from the director and the
40 chief executive officer of the authority, may be sold or assigned, in
41 full or in part, to any other person who may have a tax liability
42 pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), sections 2
43 and 3 of P.L.1945, c.132 (C.54:18A-2 and C.54:18A-3), section 1
44 of P.L.1950, c.231 (C.17:32-15), or N.J.S.17B:23-5. The certificate
45 provided to the developer shall include a statement waiving the
46 developer's right to claim that amount of the credit against the taxes
47 that the developer has elected to sell or assign. The sale or
48 assignment of any amount of a tax credit transfer certificate allowed

1 under this paragraph shall not be exchanged for consideration
2 received by the developer of less than 75 percent of the transferred
3 credit amount before considering any further discounting to present
4 value that may be permitted. Any amount of a tax credit transfer
5 certificate used by a purchaser or assignee against a tax liability
6 shall be subject to the same limitations and conditions that apply to
7 the use of the credit by the developer who originally applied for and
8 was allowed the credit.

9 c. All administrative costs associated with the incentive grant
10 shall be assessed to the applicant and be retained by the State
11 Treasurer from the annual incentive grant payments.

12 d. The incremental revenue for the revenues listed in
13 subsection a. of this section shall be calculated as the difference
14 between the amount collected in any fiscal year from any eligible
15 revenue source included in the State redevelopment incentive grant
16 agreement, less the revenue increment base for that eligible
17 revenue.

18 e. The municipality is authorized to collect any information
19 necessary to facilitate grants under this program and remit that
20 information in order to assist in the calculation of incremental
21 revenue.

22 (cf: P.L.2017, c.59, s.1)

23

24 4. This act shall take effect immediately.

25

26

27

STATEMENT

28

29 This bill extends for two years the document submission
30 deadlines applicable to a business or developer that is seeking to
31 receive tax credits under the Economic Redevelopment and Growth
32 Grant Program and the Urban Transit Hub Tax Credit Program.
33 Under those programs, the deadline to submit the required
34 documents is July 28, 2019. Under the bill, the deadline is July 28,
35 2019.

ASSEMBLY COMMERCE AND ECONOMIC DEVELOPMENT
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5050

STATE OF NEW JERSEY

DATED: NOVEMBER 30, 2017

The Assembly Commerce and Economic Development Committee reports favorably Assembly Bill No. 5050.

This bill would extend statutory deadlines for the submission of documents necessary to qualify for tax credits under certain economic incentive programs. The bill would not extend the cutoff for submitting applications under these programs. The bill would allow program participants that have already submitted applications, but have not yet completed construction projects, an additional two years to document completion of projects and qualify for tax credits.

The bill would extend from April 26, 2019 to April 26, 2021 the date by which a business seeking tax credits under the Urban Transit Hub Tax Credit Program must submit documentation required for approval of the amount of the business' tax credit. The bill would also extend, from July 28, 2019 to July 28, 2021, this program's date at which a business forfeits an annual tax credit award, due to the business' failure to document, and attain certification, that the business has met its capital investment and employment requirements.

The bill would also extend, from July 28, 2019 to July 28, 2021, the date by which a developer of a qualified residential project seeking tax credits under the Economic Redevelopment and Growth Grant Program must submit a temporary certificate of occupancy for the project.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5050

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 18, 2017

The Assembly Appropriations Committee reports favorably Assembly Bill No. 5050, with committee amendments.

As amended, this bill extends, for two years, the document submission deadlines applicable to a business or developer that is seeking to receive tax credits under the Urban Transit Hub Tax Credit Program (“UTHTC”) and the Economic Redevelopment and Growth Grant Program (“ERGG”). The bill also extends, for one year, the document submission deadline applicable to a business seeking to receive tax credits under the Grow New Jersey Assistance Program.

Specifically, the bill extends, from April 26, 2019 to April 26, 2021, the date by which a business seeking tax credits under the UTHTC is required to submit documentation necessary for approval of the amount of the business’s tax credit. The bill also extends, from July 28, 2019 to July 28, 2021, the date upon which a business forfeits an annual tax credit award due to the business’s failure to document and attain certification that it has met its capital investment and employment requirements.

Additionally, the bill extends, from July 28, 2019 to July 28, 2021, the date by which a developer of a qualified residential project seeking tax credits under the ERGG is required to submit a temporary certificate of occupancy for the project.

The bill extends, July 28, 2018 to July 28, 2019, the deadline by which a business, whose application was approved by the New Jersey Economic Development Authority before July 1, 2014, for eligibility under the Grow New Jersey Assistance Program, is required to submit its documentation indicating that it has met the capital investment and employment requirements of the program.

The bill does not extend the cutoff for submitting applications under either program. However, the bill affords program participants that have already submitted applications, but have not yet completed construction projects, an additional two years to document completion of projects and qualify for tax credits.

FISCAL IMPACT:

This bill has not been certified for a Fiscal Note.

COMMITTEE AMENDMENTS:

The committee amendment extends, from July 28, 2018 to July 28, 2019, the deadline by which a business, whose application was approved by the New Jersey Economic Development Authority before July 1, 2014 for eligibility under the Grow New Jersey Assistance Program, is required to submit its documentation to the authority for purposes of indicating that it has met the capital investment and employment requirements of the program.