

40:48C-1

**LEGISLATIVE HISTORY CHECKLIST**  
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(Local tax authorization act)

**NJSA:** 40:48C-1

**LAWS OF:** 1994 **CHAPTER:** 28

**BILL NO:** S346

**SPONSOR(S):** Lipman and Rice

**DATE INTRODUCED:** Pre-filed

**COMMITTEE:** **ASSEMBLY:** Appropriations  
**SENATE:** Budget

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

**DATE OF PASSAGE:** **ASSEMBLY:** March 28, 1994  
**SENATE:** March 3, 1994

**DATE OF APPROVAL:** May 5, 1994

**FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:**

**SPONSOR STATEMENT:** Yes

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

**FISCAL NOTE:** No

**VETO MESSAGE:** No

**MESSAGE ON SIGNING:** No

**FOLLOWING WERE PRINTED:**

**REPORTS:** No

**HEARINGS:** No

KBG:pp

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1994 SESSION

By Senators LIPMAN and RICE

1 **AN ACT** extending the expiration date of certain local taxes and  
2 amending P.L.1970, c.326.

3

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

6 1. Section 5 of P.L.1970, c.326 (C.40:48C-5) is amended to  
7 read as follows:

8 5. No tax shall be imposed under any ordinance adopted  
9 pursuant to this article with respect to alcoholic beverages  
10 delivered to a taxpayer on or after [January 1, 1994]  
11 <sup>1</sup>[December 31, 1999] January 1, 1996<sup>1</sup>.

12 (cf: P.L.1990, c.9, s.2)

13 2. Section 19 of P.L.1970, c.326 (C.40:48C-19) is amended to  
14 read as follows:

15 19. No tax shall be imposed under any ordinance adopted  
16 pursuant to this article with respect to services performed prior  
17 to January 1, 1971, or in a calendar quarter prior to that in which  
18 the ordinance is adopted or on or after [January 1, 1994]  
19 <sup>1</sup>[December 31, 1999] January 1, 1996<sup>1</sup>, but any such ordinance  
20 shall remain in effect with respect to the right of the  
21 municipality to receive reports and enforce and collect taxes due  
22 thereunder for any period prior to [January 1, 1994] <sup>1</sup>[December  
23 31, 1999] January 1, 1996<sup>1</sup>.

24 (cf: P.L.1990, c.9, s.1)

25 3. This act shall take effect immediately and shall be  
26 retroactive to January 1, 1994.

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31 Extends expiration date of certain taxes under "Local Tax  
32 Authorization Act."

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:  
<sup>1</sup> Senate floor amendments adopted January 31, 1994.

SENATE, No. 346  
STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1994 SESSION

By Senators LIPMAN and RICE

1 AN ACT extending the expiration date of certain local taxes and  
2 amending P.L.1970, c.326.

3

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

6 1. Section 5 of P.L.1970, c.326 (C.40:48C-5) is amended to  
7 read as follows:

8 5. No tax shall be imposed under any ordinance adopted  
9 pursuant to this article with respect to alcoholic beverages  
10 delivered to a taxpayer on or after [January 1, 1994]  
11 December 31, 1999.

12 (cf: P.L.1990, c.9, s.2)

13 2. Section 19 of P.L.1970, c.326 (C.40:48C-19) is amended to  
14 read as follows:

15 19. No tax shall be imposed under any ordinance adopted  
16 pursuant to this article with respect to services performed prior  
17 to January 1, 1971, or in a calendar quarter prior to that in which  
18 the ordinance is adopted or on or after [January 1, 1994]  
19 December 31, 1999, but any such ordinance shall remain in effect  
20 with respect to the right of the municipality to receive reports  
21 and enforce and collect taxes due thereunder for any period prior  
22 to [January 1, 1994] December 31, 1999.

23 (cf: P.L.1990, c.9, s.1)

24 3. This act shall take effect immediately and shall be  
25 retroactive to January 1, 1994.

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STATEMENT

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30 This bill extends the expiration date of the payroll tax and the  
31 liquor tax under the "Local Tax Authorization Act," P.L.1970,  
32 c.326 (C.40:48C-1 et seq.), from January 1, 1994, to  
33 December 31, 1999. The "Local Tax Authorization Act" permits  
34 any municipality with a population in excess of 200,000 to adopt  
35 an ordinance imposing a liquor tax, a payroll tax, and a parking  
36 tax. It also permits any municipality with a population between  
37 100,000 and 125,000 that shares a parking lot with a contiguous  
38 municipality that is empowered to impose a parking tax, and any  
39 municipality located in a county of the first class that has a  
40 population density exceeding 10,000 persons per square mile to  
41 adopt an ordinance imposing a parking tax.

42 This bill makes the expiration dates of the payroll and liquor

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 taxes consistent with the expiration date of the parking tax,  
2 which was extended to December 31, 1999, under P.L.1991, c.288.

3 This bill is retroactive to January 1, 1994.

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8 Extends expiration date of certain taxes under "Local Tax  
9 Authorization Act" to December 31, 1999.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[FIRST REPRINT]

SENATE, No. 346

STATE OF NEW JERSEY

DATED: MARCH 15, 1994

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The Assembly Appropriations Committee reports favorably Senate Bill No. 346 [1R].

Senate Bill No. 346 [1R] extends the expiration date of the payroll tax and the liquor tax under the "Local Tax Authorization Act," P.L.1970, c.326 (C.40:48C-1 et seq.), from January 1, 1994, to December 31, 1996.

The "Local Tax Authorization Act" permits any municipality with a population in excess of 200,000 to adopt an ordinance imposing a liquor tax, a payroll tax, and a parking tax. (It also permits any municipality with a population between 100,000 and 125,000 that shares a parking lot with a contiguous municipality empowered to impose a parking tax, and any municipality located in a county of the first class with a population density exceeding 10,000 persons per square mile, to adopt an ordinance imposing a parking tax.) The original law enacting these taxes in 1970 set forth separate expiration dates for each tax. The parking tax was extended to December 31, 1999, under P.L.1991, c.288.

Jersey City and Newark are the only municipalities in the State with populations which exceed 200,000. Jersey City has a parking tax in effect, but not a liquor or payroll tax and Newark has imposed a parking and payroll tax.

This bill is retroactive to January 1, 1994.

Senate Bill No. 346 [1R] is identical to Assembly Bill No. 858, as amended by this committee.

FISCAL IMPACT:

This bill does not have an impact on State revenues, however two local governments - Newark and Jersey City - may realize additional annual revenues through 1996 as a result of this extension. According to the City of Newark, Special Tax Division, the payroll tax collection was approximately \$24 million for calendar year 1993 and \$23.7 million for calendar year 1992.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 346

STATE OF NEW JERSEY

DATED: JANUARY 20, 1994

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 346.

Senate Bill No. 346 extends the expiration date of the payroll tax and the liquor tax under the "Local Tax Authorization Act," P.L.1970, c.326 (C.40:48C-1 et seq.), from January 1, 1994, to December 31, 1999.

The "Local Tax Authorization Act" permits any municipality with a population in excess of 200,000 to adopt an ordinance imposing a liquor tax, a payroll tax, and a parking tax. (It also permits any municipality with a population between 100,000 and 125,000 that shares a parking lot with a contiguous municipality empowered to impose a parking tax, and any municipality located in a county of the first class with a population density exceeding 10,000 persons per square mile, to adopt an ordinance imposing a parking tax.)

The original law enacting these taxes in 1970 set forth separate expiration dates for each tax. This bill makes the expiration dates of the payroll and liquor taxes consistent with the expiration date of the parking tax, which was extended to December 31, 1999, under P.L.1991, c.288.

Jersey City and Newark are the only municipalities in the State with populations which exceed 200,000. Jersey City has a parking tax in effect, but not a liquor or payroll tax and Newark has imposed a parking and payroll tax. According to the City of Newark, Special Tax Division, the payroll tax collection was approximately \$24 million for calendar year 1993 and \$23.7 for calendar year 1992.

This bill is retroactive to January 1, 1994.

This bill was prefiled for the 1994 legislative session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.

FISCAL IMPACT

This bill does not have an impact on State revenues and appropriations. Two local governments - Newark and Jersey City - may realize additional annual revenues through 1999 as a result of this bill.

STATEMENT TO

**SENATE, No. 346**

with Senate Floor Amendments  
(Proposed by Senator LIPMAN)

ADOPTED JANUARY 31, 1994

These amendments would extend to January 1, 1996 the expiration of the payroll tax and the liquor tax authorizations under the "Local Tax Authorization Act," P.L.1970, c.326 (C.40:48C-1 et seq.).

Without these amendments, the bill extends the expiration of these tax authorizations from January 1, 1994, the expiration date under current law, to December 31, 1999.