

[Second Reprint]

SENATE, No. 2784

STATE OF NEW JERSEY
216th LEGISLATURE

INTRODUCED MARCH 9, 2015

Sponsored by:

Senator JEFF VAN DREW

District 1 (Atlantic, Cape May and Cumberland)

Senator JIM WHELAN

District 2 (Atlantic)

Assemblyman BOB ANDRZEJCZAK

District 1 (Atlantic, Cape May and Cumberland)

Assemblyman GORDON M. JOHNSON

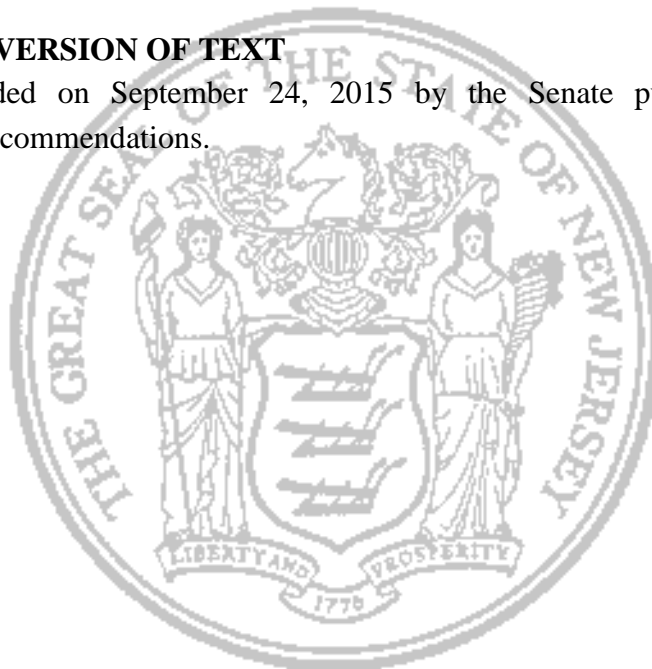
District 37 (Bergen)

SYNOPSIS

Provides partial exemption and maximum sales and use tax imposition amount for sales and uses of boats and vessels; establishes grace period for use tax imposition on certain boats and vessels used by resident purchasers.

CURRENT VERSION OF TEXT

As amended on September 24, 2015 by the Senate pursuant to the Governor's recommendations.



(Sponsorship Updated As Of: 6/26/2015)

1 AN ACT providing a ²partial exemption and a² maximum sales and
 2 use tax imposition amount for sales and uses of boats and vessels
 3 and establishing a grace period for the imposition of use tax on
 4 certain boats and vessels used by resident purchasers,
 5 supplementing P.L.1966, c.30 (C.54:32B-1 et seq.).
 6

7 **BE IT ENACTED** by the Senate and General Assembly of the State
 8 of New Jersey:
 9

10 1. Notwithstanding the provisions of P.L.1966, c. 30 (C.54:32B-
 11 1 et seq.) to the contrary, ²receipts from the sale of a boat or other
 12 vessel are exempt to the extent of 50 percent of the tax imposed under
 13 section 3 of the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-3)
 14 and² the maximum amount of tax imposed and collected on the sale or
 15 use of a boat or other vessel shall not exceed \$20,000.
 16

17 2. a. Notwithstanding the provisions of P.L.1966,
 18 c. 30 (C.54:32B-1 et seq.) to the contrary, the use within this State of a
 19 boat or other vessel for temporary periods, not totaling more than
 20 ¹~~[30]~~ ²~~[90]~~¹ 30² calendar days in a calendar year, shall not be subject
 21 to the compensating use tax imposed by section 6 of P.L.1966,
 22 c.30 (C.54:32B-6), provided that:

23 ²~~[(1)]~~ (1) the boat or other vessel was purchased by a resident of the
 24 State of New Jersey outside of this State for use outside of this State,

25 ²~~[(1)]~~ (1)² the boat or other vessel is legally operated by the resident
 26 purchaser and meets all current requirements pursuant to applicable
 27 federal law or pursuant to a federally-approved numbering system for
 28 boats and vessels adopted by another state, and

29 ²~~[(3)]~~ (2)² the resident purchaser is not engaged in or carrying on
 30 in this State any employment, trade, business, or profession in which
 31 the boat or vessel will be used in this State.

32 b. If any of the conditions specified by subsection a. of this
 33 section have not been met, or after having been met fail to continue to
 34 be met, the exemption provided by subsection a. of this section shall
 35 not apply.
 36

37 3. Notwithstanding the provisions of the "Administrative
 38 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the
 39 contrary, the Director of the Division of Taxation in the Department
 40 of the Treasury may adopt immediately upon filing with the Office
 41 of Administrative Law such rules and regulations as the director
 42 determines to be necessary to implement the provisions of P.L. ,
 43 c. (C.) (pending before the Legislature as this bill), which

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 SBA committee amendments adopted June 22, 2015.

²Senate amendments adopted in accordance with Governor's
 recommendations September 24, 2015.

1 rules and regulations shall be effective for a period not to exceed
2 360 days following the effective date of P.L. , c. (C.)
3 (pending before the Legislature as this bill) and may thereafter be
4 amended, adopted, or readopted by the director in accordance with
5 the requirements of P.L.1968, c.410.

6
7 4. This act shall take effect immediately, provided that section
8 1 shall apply to sales and uses on or after the first day of the second
9 month next following the date of enactment and that section 2 shall
10 apply to uses on or after January 1 next following the date of
11 enactment.