

ASSEMBLY COMMERCE AND ECONOMIC DEVELOPMENT
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3549

STATE OF NEW JERSEY

DATED: MARCH 5, 2018

The Assembly Commerce and Economic Development Committee reports favorably Assembly Bill No. 3549.

This bill would extend the duration of each urban enterprise zone (UEZ) for 10 years starting 90 days after the effective date of the bill. This extension will reactivate the five UEZs that expired. Under the bill, qualifying retail businesses in UEZs may continue to charge and collect the State's sales and use tax at one-half of the normal rate. The bill would restore a funding stream to UEZs.

The bill provides that, after dedicating 10 percent of UEZ sales and use tax revenues for administration of the UEZ program, the remaining revenues would be divided equally for UEZ purposes and General Fund purposes. The bill would specify that "UEZ purposes" are limited to economic development and job creation purposes.