

[First Reprint]

SENATE, No. 3507

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED MARCH 4, 2019

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SYNOPSIS

Authorizes certain municipalities to impose parking taxes to fund projects to improve pedestrian access to mass transit.

CURRENT VERSION OF TEXT

As reported by the Senate Community and Urban Affairs Committee on December 12, 2019, with amendments.



(Sponsorship Updated As Of: 12/17/2019)

1 AN ACT authorizing certain municipalities to impose a parking tax,
2 and supplementing and amending P.L.1970, c.326.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. (New section) a. Any municipality with a population of
8 100,000 or greater according to the most recent American
9 Community Survey five-year estimate by the United States Census
10 Bureau may adopt an ordinance imposing a mass transit access
11 parking tax of three and one-half percent on fees for the parking,
12 garaging, or storing of motor vehicles, other than parking in a
13 garage which is part of premises occupied solely as a private one-
14 or two-family dwelling.

15 b. All parking taxes collected pursuant to this section shall be
16 anticipated and appropriated in the municipal budget as dedicated
17 revenue pursuant to N.J.S.40A:4-39 for the exclusive purpose of
18 funding or financing capital improvements for pedestrian access to
19 mass transit stations, including, but not limited to, the construction
20 of bridges, tunnels, platforms, walkways, elevators, escalators, and
21 stairways directly related to mass transit pedestrian accessibility ¹;
22 provided, however, that any parking tax revenues remaining after
23 all the budgeted mass transit pedestrian access capital improvement
24 expenditures have been used in a fiscal year may be used to fund
25 quality of life projects within the municipality¹.

26 c. The parking tax authorized by this section may be collected
27 in addition to a surcharge collected pursuant to section 3 of
28 P.L.2013, c.284 (C.40:48C-1.6) or a tax collected pursuant to
29 subsection a. of section 6 of P.L.1970, c.326 (C.40:48C-6), but the
30 parking tax authorized by this section shall not be collected
31 whenever a special event parking tax surcharge is collected
32 pursuant to subsection b. of section 6 of P.L.1970, c.326 (C.40:48C-
33 6).

34 ¹d. An ordinance adopted pursuant to subsection a. of this
35 section shall exempt residents of the municipality from the full
36 amount of the three and one-half percent parking tax. The
37 exemption shall be implemented as follows:

38 (1) For short-term parking, a resident may apply to the
39 municipality for a rebate of the total three and one-half percent
40 parking tax charged as provided in the ordinance; and

41 (2) For long-term parking, a parking facility operator shall not
42 charge a resident the three and one-half percent parking tax upon a
43 display of proof of residence as provided in the ordinance.¹

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 SCU committee amendments adopted December 12, 2019.

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

3 6. a. Any municipality is hereby authorized and empowered to
4 enact an ordinance imposing in any such municipality a tax, not to
5 exceed ~~15%~~ 15 percent, on fees for parking, garaging, or storing
6 of motor vehicles, other than parking in a garage which is part of
7 premises occupied solely as a private one- or two-family dwelling.
8 For the purposes of ~~this act~~ P.L.1970, c.326 (C.40:48C-1 et seq.),
9 in the case where any parking facility is situated within two
10 contiguous municipalities authorized under section 1 of P.L.1970,
11 c.326 (C.40:48C-1) and section 2 of P.L.1987, c.21 (C.40:48C-1.2),
12 the tax authorized herein may only be imposed on fees attributable
13 to that portion of any parking facility which is situated within the
14 physical boundaries of the municipality.

15 b. In addition to the tax authorized by subsection a. of this
16 section, a municipality also may adopt an ordinance imposing a
17 special event parking tax surcharge of ~~7%~~ seven percent on fees
18 for the parking, garaging, or storing of motor vehicles for events
19 held in the municipality during weekday evenings, beginning at
20 6:00 p.m. or later, and held at any time on Saturdays, Sundays, and
21 holidays. For the purposes of this subsection, "special events"
22 means, but is not limited to, spectator sporting events, trade shows,
23 expositions, concerts, and other public events. An ordinance
24 adopted pursuant to this subsection shall designate the areas of the
25 municipality, to be designated as "special event parking tax
26 surcharge zones," in which the special event parking tax surcharge
27 shall be imposed, but no zone designated under this subsection shall
28 include a facility for the parking, garaging, or storing of motor
29 vehicles that is located on land that comprises any part of an
30 international airport. All surcharges required to be collected shall
31 be anticipated and appropriated in the municipal budget as a
32 dedicated revenue pursuant to N.J.S.40A:4-39 for the purpose of
33 defraying municipal expenses for police, fire, sanitation work, and
34 other services associated with the hosting of special events;
35 provided, however, that sanitation work services paid for out of the
36 surcharge receipts shall be performed solely by employees of the
37 municipality. The ordinance imposing the special event parking tax
38 surcharge shall be void and the surcharge shall not be collected if
39 sanitation work services related to special events and paid for out of
40 the surcharge receipts are not performed solely by employees of the
41 municipality.

42 c. (1) An ordinance adopted pursuant to subsection a. of this
43 section may establish a discount, not to exceed eight percent of the
44 fees subject to taxation under the ordinance, for residents of the
45 municipality in accordance with the provisions of this subsection.

46 (2) A discount may only be provided pursuant to this subsection
47 upon application by a resident of the municipality demonstrating
48 that the subject vehicle is:

- 1 (a) individually owned by the applicant;
2 (b) registered to the applicant's primary residence in the
3 municipality;
4 (c) parked in a long-term rented space for one month or more;
5 and
6 (d) used only for personal, non-commercial purposes.
7 (3) If an application is granted pursuant to paragraph (2) of this
8 subsection, the municipality shall provide a certificate that, upon
9 display, entitles the resident of the municipality to the discount.
10 (4) A recipient of a discount certificate shall file an amended
11 application upon any change of:
12 (a) primary residence;
13 (b) parking facility;
14 (c) vehicle; or
15 (d) license plate number.
16 (5) An ordinance establishing a discount pursuant to this
17 subsection may provide penalties for obtaining or using a discount
18 certificate in violation of the provisions of the ordinance.
19 (cf: P.L.2007, c.296, s.1)¹

20
21 ¹2. (New section) Any municipality authorized to impose a
22 parking tax or surcharge pursuant to section 3 of P.L.2013, c.284
23 (C.40:48C-1.6), section 1 of P.L. , c. (C.) (pending before
24 the Legislature as this bill), or section 6 of P.L.1970, c.326
25 (C.40:48C-6) may by ordinance require that any parking facility
26 subject to that tax or surcharge accept credit cards.¹

27
28 3. Section 7 of P.L.1970, c.326 (C.40:48C-7) is amended to
29 read as follows:

30 7. a. All taxes imposed by the ordinances authorized pursuant
31 to ¹section 3 of P.L.2013, c.284 (C.40:48C-1.6),¹ section 1 of
32 P.L. , c. (C.) (pending before the Legislature as this bill)
33 ^{1, 1}or section 6 of P.L.1970, c.326 (C.40:48C-6) shall be collected
34 on behalf of the municipality by the person (hereinafter sometimes
35 referred to as "taxpayer") providing parking services to the
36 customer.

37 b. Every person required to collect any tax, including
38 surcharges imposed by the ordinances shall be personally liable for
39 the tax imposed, collected or required to be collected hereunder.
40 Any such person shall have the same right in respect to collecting
41 the tax from his customer or in respect to nonpayment of the tax by
42 the customer as if the tax were a part of the service charge and
43 payable at the same time; provided, however, that the chief fiscal
44 officer of the municipality shall be joined as a party in any action or
45 proceeding brought to collect the tax.

46 c. No person required to collect any tax , including surcharges,
47 hereunder shall advertise or hold out to any person or to the public

1 in general, in any manner, directly or indirectly, that the tax is not
2 considered as an element in the charge payable by the customer,
3 that he will pay the tax, that the tax will not be separately charged
4 and stated to the customer or that the tax will be refunded to the
5 customer.

6 d. All taxes and surcharges collected pursuant to the ordinances
7 shall be remitted to the chief fiscal officer of the municipality and
8 shall be reported on such forms and paid at such times as may be
9 prescribed in the ordinances.

10 (cf: P.L.2007, c.296, s.2)

11

12 4. This act shall take effect immediately.