

ASSEMBLY, No. 1700

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman JOHN J. BURZICHELLI

District 3 (Cumberland, Gloucester and Salem)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Assemblyman THOMAS P. GIBLIN

District 34 (Essex and Passaic)

Co-Sponsored by:

Assemblywomen Reynolds-Jackson and Jimenez

SYNOPSIS

Creates new permits to allow certain restaurants to sell alcoholic beverages and allows for issuance of additional alcoholic beverage licenses; provides tax credit under corporate business tax and gross income tax for loss in value to certain alcoholic beverage licenses.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning the sale of alcoholic beverages in certain
2 restaurants, creating tax credits, supplementing and amending
3 various sections of Title 33 of the Revised Statutes, and
4 supplementing P.L.1945, c.162 (C.54:10A-1 et seq.) and Title
5 54A of the New Jersey Statutes.

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

9
10 1. (New section) a. "Restaurant district" means:

11 (1) an urban enterprise zone designated pursuant to P.L.1983,
12 c.303 (C.52:27H-60 et seq.) or P.L.2001, c.347 (C.52:27H-66.2 et
13 al.);

14 (2) a downtown business improvement zone designated pursuant
15 to P.L.1998, c.115 (C.40:56-71.1 et seq.);

16 (3) a pedestrian mall or pedestrian mall improvement or special
17 improvement district as defined in section 2 of P.L.1972, c.134
18 (C.40:56-66);

19 (4) a transit oriented development as defined by section 2 of
20 P.L.2011, c.149 (C.34:1B-243);

21 (5) an area determined to be in need of redevelopment pursuant
22 to sections 5 and 6 of P.L.1992, c.79 (C.40A:12A-5 and 40A:12A-
23 6);

24 (6) an area determined to be in need of rehabilitation pursuant to
25 section 14 of P.L.1992, c.79 (C.40A:12A-14); or

26 (7) any area designated by statute following the effective date of
27 this act which authorizes a municipality to adopt a zoning ordinance
28 for the purpose of improvement, development, redevelopment,
29 rehabilitation, or revitalization.

30 b. The governing board or body of a municipality may issue a
31 special restricted restaurant permit which shall entitle the permit
32 holder to sell any alcoholic beverage for consumption by the glass
33 or other open receptacle in or upon the premises of a restaurant as
34 defined in subsection t. of R.S.33:1-1 that is located within a
35 restaurant district as defined in subsection a. of this section and has
36 a minimum gross square footage of 800 and a maximum gross
37 square footage of 4,500.

38 c. The holder of a special restricted restaurant permit only shall
39 sell alcoholic beverages in connection with the sale of food and
40 served at a table by an employee of the restaurant. The holder of
41 this permit shall not provide a bar area for customers of the
42 restaurant to congregate and consume alcoholic beverages but may
43 provide a service bar at which alcoholic beverages are prepared for
44 service to customers at a table. An employee of the restaurant may
45 be stationed at the service bar to prepare drinks for customers, but
46 shall only transfer alcoholic beverages to wait staff employed by the
47 restaurant to be delivered to restaurant patrons who are seated or are

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 waiting to be seated at a table; an employee preparing drinks at the
2 service bar shall be prohibited from directly transferring alcoholic
3 beverages to restaurant patrons.

4 The restaurant operated by the permit holder shall not be closed
5 for business between the months of September and May for a period
6 of more than 30 consecutive days. In addition, the restaurant shall
7 offer to customers a standard printed menu or menu board system or
8 similar signage featuring a list of meals with separate prices listed
9 adjacent to each meal, or for parties of 10 restaurant patrons or
10 greater the restaurant may offer a full course menu with a limited
11 number of meal choices for a fixed price. The holder of this permit
12 shall not sell or transfer the permit.

13 d. Prior to issuing special restricted restaurant permits pursuant
14 to this section, the governing board or body of the municipality
15 shall adopt an ordinance or resolution authorizing the issuance of
16 special restricted restaurant permits within its borders. The
17 ordinance or resolution may establish the days and times during
18 which the permit holder may sell alcoholic beverages for
19 consumption on the restaurant's premises and shall limit the sale of
20 alcoholic beverages to one hour prior to the service of food until
21 one hour after the service of food has ended. The hours during
22 which the ordinance authorizes the holder of a special restricted
23 restaurant permit to sell alcoholic beverages may differ from the
24 hours during which plenary retail consumption or distribution
25 licenses within the municipality are permitted to sell alcoholic
26 beverages.

27 The governing board or body shall coordinate with the director
28 pursuant to R.S.33:1-35 to require municipal law enforcement
29 officers to enforce Title 33 of the Revised Statutes governing the
30 sale of alcoholic beverages by a special restricted restaurant permit.
31 If the municipality does not have a municipal law enforcement
32 agency, any additional enforcement of the provisions of Title 33 of
33 the Revised Statutes required by the issuance of a special restricted
34 restaurant permit shall be assumed by the appropriate law
35 enforcement agency charged with enforcing the laws within the
36 municipality.

37 e. A premises for which a permit is issued pursuant to this
38 section shall encompass not more than one physical address. The
39 issuance of a special restricted restaurant permit shall not allow the
40 permit holder to operate without complying with all applicable
41 zoning ordinances.

42 f. The governing board or body of the municipality may, by
43 ordinance or resolution adopted pursuant to subsection d. of this
44 section, establish the number of special restricted restaurant permits
45 that may be issued within the borders of the municipality pursuant
46 to this section. The restriction in section 2 of P.L.1947, c.94
47 (C.33:1-12.14) concerning the number of retail consumption
48 licenses that may be issued in a municipality shall not be applicable

1 to a special restricted restaurant permit issued pursuant to this
2 section. A municipality that prohibits the sale of alcoholic
3 beverages within its borders may establish by ordinance or
4 resolution that a special restricted restaurant permit may be issued
5 in the municipality.

6 g. The special restricted restaurant permit shall be issued for a
7 12 month period and renewed on an annual basis. The initial fee
8 and annual renewal fee for this permit shall be \$7,500 for a
9 restaurant with a gross square footage of 800 to 2,000, and \$10,000
10 for a restaurant with a gross square footage of 2,001 to 4,500. The
11 initial fee and annual renewal fee for this permit shall be distributed
12 in the following manner:

13 (1) \$2,500 shall be paid to the municipality wherein the
14 restaurant is located and if the restaurant is located within the
15 boundaries of two or more municipalities, the fee shall be divided
16 equally among those municipalities;

17 (2) The remainder of the fee shall be paid to the Director of the
18 Division of Taxation to be used solely for the purposes of offsetting
19 the costs associated with issuing tax credits pursuant to section 6 of
20 P.L. , c. (C.) (pending before the Legislature as this bill)
21 and section 7 of P.L. , c. (C.)(pending before the Legislature
22 as this bill). After the Division of Taxation is reimbursed for costs
23 associated with issuing tax credits pursuant to section 6 of P.L. ,
24 c. (C.) (pending before the Legislature as this bill) and
25 section 7 of P.L. , c. (C.) (pending before the Legislature
26 as this bill), the full fee shall be paid to the municipality in the same
27 manner as provided under paragraph (1) of this subsection.

28 h. In addition, the holder of a special restricted restaurant
29 permit shall pay upon renewal of the permit any applicable renewal
30 fees which are otherwise required to be paid to the Director of the
31 Division of Alcoholic Beverage Control by the holder of a plenary
32 retail consumption license.

33 i. A special restricted restaurant permit shall not be issued
34 pursuant to this section for use in connection with a premises that is
35 located in a county of the fifth or sixth class having a population
36 less than 200,000 according to the latest federal decennial census.

37 j. A person who would fail to qualify as a holder of a plenary
38 retail consumption license under Title 33 of the Revised Statutes
39 shall not be authorized to hold an interest in a special restricted
40 restaurant permit issued pursuant to the provisions of this section.

41 k. Within 12 months following the effective date of this act and
42 annually thereafter, the Director of the Division of Alcoholic
43 Beverage Control shall submit a report to the Governor and the
44 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1).
45 The report shall include, but not be limited to, the number of
46 permits issued pursuant to this section; the locations for which the
47 permits are issued; the number of permit suspensions or revocations
48 initiated pursuant to section 4 of P.L.1991, c.164 (C.) (pending

1 before the Legislature as this bill); any information pertaining to
2 violations committed by a permit holder under Title 2C of the New
3 Jersey Statutes and Title 33 of the Revised Statutes; and the status
4 of pending applications for a tax credit and the number of tax
5 credits approved or denied pursuant to sections 6 and 7 of P.L. ,
6 c. (C.) (pending before the Legislature as this bill).

7
8 2. (New section) a. "Restaurant district" means:

9 (1) an urban enterprise zone designated pursuant to P.L.1983,
10 c.303 (C.52:27H-60 et seq.) or P.L.2001, c.347 (C.52:27H-66.2 et
11 al.);

12 (2) a downtown business improvement zone designated pursuant
13 to P.L.1998, c.115 (C.40:56-71.1 et seq.);

14 (3) a pedestrian mall or pedestrian mall improvement or special
15 improvement district as defined in section 2 of P.L.1972, c.134
16 (C.40:56-66);

17 (4) a transit oriented development as defined by section 2 of
18 P.L.2011, c.149 (C.34:1B-243);

19 (5) an area determined to be in need of redevelopment pursuant
20 to sections 5 and 6 of P.L.1992, c.79 (C.40A:12A-5 and 40A:12A-
21 6);

22 (6) an area determined to be in need of rehabilitation pursuant to
23 section 14 of P.L.1992, c.9 (C.40A:12A-14); or

24 (7) any area designated by statute following the effective date of
25 this act which allows a municipality to adopt a zoning ordinance for
26 the purpose of improvement, development, redevelopment,
27 rehabilitation, or revitalization.

28 b. The governing board or body of a municipality may issue a
29 restricted beer and wine permit which shall entitle the permit holder
30 to sell any beer or wine by the can, bottle, or other sealed receptacle
31 used for holding alcoholic beverages for consumption in or upon the
32 premises of a restaurant as defined in subsection t. of R.S.33:1-1
33 that is located within a restaurant district as defined in subsection a.
34 of this section and has a minimum gross square footage of 800 and
35 a maximum gross square footage of 4,500.

36 c. The holder of a restricted beer and wine permit shall not
37 provide a bar area for customers of the restaurant to congregate and
38 consume alcoholic beverages. In addition, the permit holder shall
39 not provide a service bar. Alcoholic beverages only may be sold in
40 connection with the service of food and served at a table by an
41 employee of the restaurant. The restaurant operated by the permit
42 holder shall offer to customers a standard printed menu or menu
43 board system or similar signage featuring a list of meals with
44 separate prices listed adjacent to each meal, or for parties of 10
45 restaurant patrons or greater the licensee may offer a full course
46 menu with a limited number of meal choices for a fixed price. The
47 holder of this permit shall not sell or transfer the permit. A
48 restaurant for which a permit is issued pursuant to this section shall

1 not be closed for business between the months of September and
2 May for a period of more than 30 consecutive days.

3 d. Prior to issuing special restricted beer and wine permits
4 pursuant to this section, the governing board or body of the
5 municipality shall adopt an ordinance or resolution authorizing the
6 issuance of restricted beer and wine permits within its borders. The
7 ordinance or resolution may establish the days and times during
8 which the permit holder is permitted to sell alcoholic beverages for
9 consumption on the restaurant's premises and shall limit the sale of
10 alcoholic beverages to one hour prior to the service of food until
11 one hour after the service of food has ended. The hours during
12 which the ordinance permits the holder of a restricted beer and wine
13 permit to sell alcoholic beverages may differ from the hours during
14 which plenary retail consumption or distribution licensees within
15 the municipality are permitted to sell alcoholic beverages.

16 The governing board or body shall coordinate with the director
17 pursuant to R.S.33:1-35 to require municipal law enforcement
18 officers to enforce Title 33 of the Revised Statutes governing the
19 sale of alcoholic beverages by a restricted beer and wine permit. If
20 the municipality does not have a municipal law enforcement
21 agency, any additional enforcement of the provisions of Title 33 of
22 the Revised Statutes required by the issuance of a restricted beer
23 and wine permit shall be assumed by the appropriate law
24 enforcement agency charged with enforcing the laws within the
25 municipality.

26 e. A premises for which a restricted beer and wine permit is
27 issued pursuant to this section shall encompass not more than one
28 physical address. The issuance of a restricted beer and wine permit
29 shall not allow the permit holder to operate without complying with
30 all applicable zoning ordinances.

31 f. The governing board or body of the municipality may, by
32 ordinance or resolution adopted pursuant to subsection d. of this
33 section, establish the number of permits that may be issued within
34 the borders of the municipality pursuant to this section. The
35 restriction in section 2 of P.L.1947, c.94 (C.33:1-12.14) concerning
36 the number of retail consumption licenses that may be issued in a
37 municipality shall not be applicable to a permit issued pursuant to
38 this section. A municipality that prohibits the sale of alcoholic
39 beverages within its borders may establish by ordinance or
40 resolution that a restricted beer and wine permit may be issued in
41 the municipality.

42 g. The restricted beer and wine permit shall be issued for a 12
43 month period and renewed on an annual basis. The initial fee and
44 annual renewal fee for this permit shall be \$3,000 for a restaurant
45 with a gross square footage of 800 to 2,000, and \$5,000 for a
46 restaurant with a gross square footage of 2,001 to 4,500. The initial
47 fee and annual renewal fee for this permit shall be distributed in the
48 following manner:

1 (1) \$1,250 shall be paid to the municipality wherein the
2 restaurant is located, and if the restaurant is located within the
3 boundaries of two or more municipalities, the fee shall be divided
4 equally among those municipalities;

5 (2) The remainder of the fee shall be paid to the Director of the
6 Division of Taxation to be used solely for the purposes of offsetting
7 the costs associated with issuing tax credits pursuant to section 6 of
8 P.L. , c. (C.) (pending before the Legislature as this bill)
9 and section 7 of P.L. , c. (C.)(pending before the
10 Legislature as this bill). After the Division of Taxation is
11 reimbursed for costs associated with issuing tax credits pursuant to
12 section 6 of P.L. , c. (C.) (pending before the Legislature as
13 this bill) and section 7 of P.L. , c. (C.) (pending before the
14 Legislature as this bill), the full fee shall be paid to the municipality
15 in the same manner as provided under paragraph (1) of this
16 subsection.

17 h. The holder of a restricted beer and wine permit shall pay
18 upon renewal of the permit any applicable renewal fees which are
19 otherwise required to be paid to the Director of the Division of
20 Alcoholic Beverage Control by the holder of a plenary retail
21 consumption license.

22 i. A restricted beer and wine permit shall not be issued
23 pursuant to this section for use in connection with a premises that is
24 located in a county of the fifth or sixth class having a population
25 less than 200,000 according to the latest federal decennial census.

26 j. A person who would fail to qualify as a holder of a plenary
27 retail consumption license under Title 33 of the Revised Statutes
28 shall not be authorized to hold an interest in a restricted beer and
29 wine permit issued pursuant to the provisions of this section.

30 k. Within 12 months following the effective date of this act and
31 annually thereafter, the director shall submit a report to the
32 Governor and the Legislature pursuant to section 2 of P.L.1991,
33 c.164 (C.52:14-19.1). The report shall include, but not be limited
34 to, the number of permits issued pursuant to this section; the
35 locations for which the permits are issued; the number of permit
36 suspensions or revocations initiated pursuant to section 4 of
37 P.L.1991, c.164 (C.) (pending before the Legislature as this
38 bill); any information pertaining to violations committed by a
39 permit holder under Title 2C of the New Jersey Statutes and Title
40 33 of the Revised Statutes; and the status of pending applications
41 for a tax credit and the number of tax credits approved or denied
42 pursuant to sections 6 and 7 of P.L. , c. (C.) (pending
43 before the Legislature as this bill).

44
45 3. Section 2 of P.L.1947, c.94 (C.33:1-12.14) is amended to
46 read as follows:

47 2. a. Except as otherwise provided in this **[act]** title, no new
48 plenary retail consumption or seasonal retail consumption license

1 shall be issued in a municipality unless and until the combined total
2 number of such licenses existing in the municipality is fewer than
3 one for each 3,000 of its population according to the most recent
4 estimates issued by the U.S. Bureau of the Census; provided,
5 however, in the year that the official federal decennial counts are
6 received by the Governor, those federal decennial counts shall be
7 used. No new plenary retail distribution license shall be issued in a
8 municipality unless and until the number of such licenses existing
9 in the municipality is fewer than one for each 7,500 of its
10 population according to the most recent estimates issued by the U.S.
11 Bureau of the Census; provided, however, in the year that the
12 official federal decennial counts are received by the Governor,
13 those federal decennial counts shall be used.

14 b. (1) A municipality which has adopted a master plan pursuant
15 to the provisions of section 19 of P.L.1975, c.291 (C.40:55D-28)
16 may issue a plenary retail consumption license based upon the
17 population projections for that municipality contained in the master
18 plan and the schedule set forth in this subsection.

19 (2) A municipality may issue additional plenary retail
20 consumption licenses based upon the peak population projection in
21 the master plan. If the projected peak population supports the
22 issuance of one or more additional plenary retail consumption
23 licenses, the municipality may issue one additional license. The
24 municipality may issue another plenary retail consumption license
25 whenever there is an increase of 3,000 or more in the population of
26 the municipality, according to the most recent estimates issued by
27 the U.S. Bureau of the Census or the official federal decennial
28 counts in the years those counts are issued, until the maximum
29 number of licenses supported by the projected peak population have
30 been issued.

31 (cf: PL.1999, c.189, s.1)

32

33 4. (New section) a. The holder of a special restricted
34 restaurant permit or restricted beer and wine permit who violates
35 subsections a. through j. of R.S.33:1-31:

36 (1) for a first offense, shall be subject to a mandatory
37 suspension of the permit for six months and be liable for a civil
38 penalty of \$5,000 which shall be imposed on a holder of a special
39 restricted restaurant permit, and \$2,500 which shall be imposed on a
40 holder of a restricted beer and wine permit.

41 (2) for a second offense, shall be subject to a revocation of the
42 special restricted restaurant permit or restricted beer and wine
43 permit and be liable for a civil penalty of \$10,000.

44 A revocation pursuant to this subsection shall render the permit
45 holder and the officers, directors, and each owner, directly or
46 indirectly, of more than 10 percent of the stock of a corporate
47 permit holder ineligible to hold or receive any other special
48 restricted restaurant permit or restricted beer and wine permit for a

1 period of 10 years after the effective date of the revocation. A
2 permit holder who is subject to revocation pursuant this section
3 shall be afforded the same opportunity to appeal the revocation
4 pursuant to R.S.33:1-31 or any other appeal process afforded to the
5 holder of a plenary retail consumption license.

6 b. The fines imposed pursuant to this section shall be collected
7 by the director and forwarded to the State Treasurer in accordance
8 with subsection b. of section 14 of P.L.1992, c.188 (C.33:1-4.1).

9
10 5. Section 14 of P.L.1992, c.188 (C.33:1-4.1) is amended to
11 read as follows:

12 14. a. All fees and penalties collected by the Director of the
13 Division of Alcoholic Beverage Control pursuant to the provisions
14 of Title 33 of the Revised Statutes shall be forwarded to the State
15 Treasurer for deposit in a special nonlapsing fund. Monies in the
16 fund shall be used exclusively for the operation of the Alcoholic
17 Beverage Control Enforcement Bureau in the Division of State
18 Police and the Division of Alcoholic Beverage Control and for
19 reimbursement of all additional costs of enforcement of the
20 provisions of Title 33 incurred by the Department of Law and
21 Public Safety.

22 b. Notwithstanding the provisions of subsection a. of this
23 section, 25 percent of the fines imposed pursuant to section 4 of
24 P.L. , c. (C.)(pending before the Legislature as this bill)
25 shall be collected by the director and forwarded to the State
26 Treasurer to be used for the purposes of operating the Alcoholic
27 Beverage Control Enforcement Bureau in accordance with
28 subsection a. of this section.

29 The remaining 75 percent of the fines imposed pursuant to
30 section 4 of P.L. , c. (C.)(pending before the Legislature
31 as this bill) shall be collected by the director and forwarded to the
32 municipality in which the violation occurred.

33 (cf: P.L.1992, c.188, s.14)

34
35 6. (New section) a. As used in this act, “qualified loss in
36 value” means the loss in value to a taxpayer’s plenary retail
37 consumption license calculated pursuant to paragraph (3) of
38 subsection c. of this section.

39 b. A taxpayer who is certified as a qualified holder of a plenary
40 retail consumption license shall be allowed a credit against the
41 corporation business tax imposed pursuant to section 5 of P.L.1945,
42 c.162 (C.54:10A-5). The amount of the credit shall be equal to the
43 qualified loss in value to the taxpayer’s license, and shall be taken
44 over a five-year period, in five annual installments, at the rate of
45 one-fifth the total amount of the taxpayer’s credit for each privilege
46 period of the taxpayer, beginning with the privilege period in which
47 the taxpayer is certified as a qualified holder of a plenary retail

1 consumption license by the Director of the Division of Alcoholic
2 Beverage Control in the Department of Law and Public Safety in
3 accordance with subsection c. of this section.

4 c. (1) To be certified as a qualified holder of a plenary retail
5 consumption license, a taxpayer shall make and file an application
6 for certification with the Director of the Division of Alcoholic
7 Beverage Control within five years of the effective date of P.L. ,
8 c. (C.) (pending before the Legislature as this bill). The
9 application shall be made on forms furnished by the Director of the
10 Division of Alcoholic Beverage Control, and shall require the
11 taxpayer to demonstrate: the location of the premises operated in
12 connection with the license; the number of years the taxpayer has
13 held the license; the original amount paid by the taxpayer for the
14 privilege of holding the license; and the purpose to which the
15 license has been used by the taxpayer.

16 (2) The Director of the Division of Alcoholic Beverage Control
17 shall review each application made and filed in accordance with
18 paragraph (1) of this subsection and make a determination regarding
19 the issuance of a certification within 180 days of the date a
20 complete application is filed. The determination shall be made
21 based upon the Director of the Division of Alcoholic Beverage
22 Control's finding that: the taxpayer acquired the license prior to the
23 date of enactment of P.L. , c. (C.) (pending before the
24 Legislature as this bill); the taxpayer held the license in an active
25 status prior to the effective date of P.L. , c. (C.) (pending
26 before the Legislature as this bill); and the license is used directly
27 by the taxpayer to sell alcoholic beverages for consumption on a
28 licensed premises in accordance with the provisions of R.S.33:1-12.

29 (3) The Director of the Division of Alcoholic Beverage Control
30 shall, at the time a determination regarding the issuance of a
31 certification is made, establish the qualified loss in value to the
32 taxpayer's license. To establish the qualified loss in value, the
33 taxpayer shall issue to the director two separate independent
34 appraisals of the taxpayer's plenary retail consumption license. The
35 appraisals shall demonstrate the fair market value of the license
36 prior to the date of enactment of P.L. , c. (C.) (pending
37 before the Legislature as this bill) and the fair market value of the
38 license at the time taxpayer files an application for certification
39 with the Director of the Division of Alcoholic Beverage Control.
40 The difference between fair market value of the license prior to the
41 date of enactment of P.L. , c. (C.) (pending before the
42 Legislature as this bill) and the fair market value of the license at
43 the time the taxpayer files an application for certification shall
44 represent the qualified loss in value to the taxpayer's license.

45 To assist in assessing the qualified loss in value to a license, the
46 Director of the Division of Alcoholic Beverage Control may
47 appoint an advisory committee composed of representatives with
48 knowledge and experience in the appraisal of alcoholic beverage

1 licenses in this State. The director or the advisory committee, as the
2 case may be, shall have the authority to review, approve, or
3 disapprove appraisals issued by the taxpayer.

4 The fair market value of the license prior to the date of
5 enactment of P.L. , c. (C.) (pending before the Legislature
6 as this bill) shall be based upon the average sales price of plenary
7 retail consumption licenses in the municipality in which the
8 licensed premises is located during the five years immediately
9 preceding the date of enactment of P.L. , c. (C.) (pending
10 before the Legislature as this bill). If the licensed premises is
11 located within the boundaries of two or more municipalities, the fair
12 market value shall be based on the average sale price of plenary
13 retail consumption licenses issued in the municipality in which the
14 structure of licensed premises is primarily situated. If less than
15 three plenary retail consumption licenses have been sold in the
16 municipality or municipalities, as the case may be, within the
17 previous five years, the taxpayer shall obtain an appraisal, at the
18 taxpayer's expense, to determine the appropriate fair market value
19 of the license. The appraisal process shall include an examination
20 of previous transactions in the municipality or municipalities, as the
21 case may be, and shall reflect what a willing buyer, under no
22 pressure to buy, would pay a willing seller, under no pressure to
23 sell, for a plenary retail consumption license in that municipality or
24 municipalities, as the case may be.

25 The fair market value of the license at the time that the taxpayer
26 files an application for certification shall be based on an appraisal,
27 obtained at the taxpayer's expense, to determine the appropriate
28 value of the license. The appraisal shall include, but not be limited
29 to, an examination of the following:

30 (a) the average sales price of plenary retail consumption
31 licenses in the municipality in which the licensed premises is
32 located following the date of enactment of P.L. , c. (C.)
33 (pending before the Legislature as this bill);

34 (b) the number of special restricted restaurant permits and
35 restricted beer and wine permits issued in the municipality in which
36 the licensed premises is located following the date of enactment of
37 P.L. , c. (C.) (pending before the Legislature as this
38 bill); and

39 (c) whether the municipality in which the licensed premises is
40 located has undertaken comprehensive plans for future development
41 that would most likely necessitate the issuance of special restricted
42 restaurant permits and restricted beer and wine permits.

43 If a single plenary retail consumption license is used in
44 connection with the operation of multiple restaurants or other
45 establishments located on the same licensed premises, the qualified
46 loss in value established under this paragraph shall be divided by
47 the number of restaurants or establishments operating in connection
48 with that plenary retail consumption license.

1 (4) The Director of the Division of Alcoholic Beverage Control
2 shall issue a written certification to each taxpayer that has made and
3 filed an application that has been reviewed, approved, or
4 disapproved in accordance with paragraphs (2) and (3) of this
5 subsection within 10 days of the date the determination is made.
6 The written certification shall include a detailed explanation of the
7 fair market value of the taxpayer's license established in accordance
8 with paragraph (3) of this subsection. The division shall submit to a
9 taxpayer whose application is disapproved a detailed statement
10 explaining the reasons for which the appraisals did not adequately
11 reflect the qualified loss in value. Each taxpayer issued a
12 certification shall include a copy of the written certification, along
13 with the detailed explanation of the qualified loss in value to the
14 taxpayer's license, when filing a return that includes a claim for the
15 credit allowed in accordance with this section.

16 (5) The Director of the Division of Alcoholic Beverage Control
17 shall provide a copy of each written certification issued in
18 accordance with paragraph (4) of this subsection to the Director of
19 the Division of Taxation in the Department of the Treasury within
20 10 days of the date the certification is issued, and shall prepare a
21 report regarding the administration of the certification process
22 established in accordance with this subsection. The report shall
23 specify: the number of applications made and filed; the number of
24 certifications issued; and the qualified loss in value to each license
25 for which a certification is issued. The report shall be submitted to
26 the Governor, the State Treasurer, and the Legislature, in
27 accordance with section 2 of P.L.1991, c.164 (C.52:14-19.1), within
28 450 days of the effective date of P.L. , c. (C.) (pending
29 before the Legislature as this bill).

30 d. The order of priority of the application of an annual
31 installment of the credit allowed pursuant to this section and any
32 other credit allowed against the corporation business tax for a
33 privilege period shall be as prescribed by the Director of the
34 Division of Taxation in the Department of the Treasury. The
35 amount of an annual installment of the credit applied under this
36 section against the corporation business tax for a privilege period,
37 together with any other annual installment and any other credits
38 allowed against the corporation business tax, shall not reduce the
39 tax liability of the taxpayer to an amount less than the statutory
40 minimum provided in subsection (e) of section 5 of P.L.1945, c.162
41 (C.54:10A-5). No amount of the qualified loss in value to the
42 taxpayer's license that is used as the basis of the credit allowed
43 pursuant to this section shall be allowed as an amount used to
44 calculate a loss or expense of the taxpayer or otherwise reduce or
45 offset that taxpayer's liability for tax pursuant to any other
46 exclusion, deduction, or credit allowed under the corporation
47 business tax. The amount of an annual installment of the credit
48 allowable under this section which cannot be applied for a privilege

1 period due to the limitations of this subsection may be carried
2 forward, if necessary, to the earliest available use within the 20
3 privilege periods immediately following the privilege period for
4 which the credit is allowed.

5 e. A taxpayer may, upon issuance of a certification as a
6 qualified holder of a plenary retail consumption license by the
7 Director of the Division of Alcoholic Beverage Control in
8 accordance with subsection c. of this section, make and file an
9 application to the Director of the Division of Taxation for a tax
10 credit transfer certificate in lieu of the taxpayer being allowed an
11 annual installment of the credit or any amount of an annual
12 installment of the credit that may be taken against the corporation
13 business tax liability of the taxpayer. The Director of the Division
14 of Taxation may prescribe the form and manner by which a
15 taxpayer may make and file a separate application in connection
16 with each annual installment of the credit or any amount of each
17 annual installment of the credit, and may consult with the Director
18 of the Division of Alcoholic Beverage Control in reviewing and
19 approving any application for a tax credit transfer certificate of a
20 taxpayer. The tax credit transfer certificate, upon issuance thereof
21 by the Director of the Division of Taxation, may be sold or
22 assigned, in whole or in part, to any other taxpayer that may have a
23 corporation business tax or a gross income tax liability, in exchange
24 for private financial assistance to be provided by the purchaser or
25 assignee to the taxpayer that is allowed a credit under this section.
26 The certificate issued to the taxpayer shall include a statement
27 waiving the taxpayer's right to claim that amount of the annual
28 installment of the credit against the corporation business tax that the
29 taxpayer has elected to sell or assign. The sale or assignment of any
30 amount of a tax credit transfer certificate allowed under this
31 subsection shall not be exchanged for consideration received by the
32 taxpayer of less than 75 percent of the transferred credit amount.
33 Any amount of a tax credit transfer certificate used by a purchaser
34 or assignee against a corporation business tax liability shall be
35 subject to the same limitations and conditions that apply to the use
36 of a credit pursuant to subsection d. of this section. Any amount of
37 a tax credit transfer certificate obtained by a purchaser or assignee
38 under this section may be applied against the purchaser's or
39 assignee's gross income tax liability and shall be subject to the same
40 limitations and conditions that apply to the use of a credit pursuant
41 to subsection d. of section 7 of P.L. , c. (C.) (pending
42 before the Legislature as this bill).

43 f. (1) If, in the five-year period beginning with the privilege
44 period in which the taxpayer is certified as a qualified holder of a
45 plenary retail consumption license, the taxpayer sells or transfers
46 any part of the taxpayer's interest in the license to another person,
47 the taxpayer shall forfeit that portion of the taxpayer's credit that is
48 equal to the amount of consideration received by the taxpayer from

1 the sale or transfer of the license. The forfeited portion shall first
2 reduce the balance of any annual installment of a credit of the
3 taxpayer that is allowed but that has not been applied against the tax
4 liability of the taxpayer, or converted into a tax credit transfer
5 certificate and sold or assigned to another taxpayer in accordance
6 with subsection e. of this section, during the privilege period in
7 which the sale or transfer of the license occurs, and then shall
8 reduce the balance of any future annual installment of a credit of a
9 taxpayer who is allowed but that has not been applied, or converted
10 and sold or assigned to another taxpayer, beginning with future
11 annual installments allowed during the privilege period immediately
12 following the privilege period in which the sale or transfer occurs.
13 If, after being used to reduce future annual installments, the
14 forfeited portion exceeds the amount of any allowable credit
15 remaining, the taxpayer shall repay the amount of that excess to the
16 Director of the Division of Taxation; provided however, that if the
17 taxpayer converted an annual installment of the credit or any
18 amount of an annual installment of the credit into a tax credit
19 transfer certificate in accordance with subsection d. of this section,
20 the amount of the excess required to be repaid to the Director of the
21 Division of Taxation shall be reduced, if necessary, in proportion to
22 the amount of consideration received by the taxpayer from the sale
23 or assignment of the tax credit transfer certificate.

24 (2) If, in the 15-year period beginning with the fifth privilege
25 period immediately following the privilege period in which the
26 taxpayer is certified as a qualified holder of a plenary retail
27 consumption license, the taxpayer sells or transfers any part of the
28 taxpayer's interest in the license to another person, the taxpayer
29 shall forfeit that portion of the taxpayer's credit that is equal to the
30 amount of consideration received by the taxpayer from the sale or
31 transfer of the license. The forfeited portion shall first reduce the
32 balance of any tax credit carryforward from a prior privilege period
33 that is allowed but that has not been applied against the tax liability
34 of the taxpayer during the privilege period in which the sale or
35 transfer of the license occurs, and then shall reduce the balance of
36 any tax credit carryforward from a prior privilege period that
37 otherwise would have been applied against future tax liabilities of
38 the taxpayer. If, after being used to reduce carryforwards from prior
39 privilege periods, the forfeited portion exceeds the amount of any
40 allowable credit remaining, the taxpayer shall repay the amount of
41 that excess to the Director of the Division of Taxation subject to the
42 following limitations:

43 (a) if the taxpayer is required to repay the amount of any excess
44 as a result of the sale or transfer of the taxpayer's license occurring
45 in the first five years of the 15-year period, the amount of the
46 excess shall be multiplied by 0.75 to determine the amount of the
47 excess required to be repaid to the Director of the Division of
48 Taxation;

1 (b) if the taxpayer is required to repay the amount of any excess
2 as a result of the sale or transfer of the taxpayer's license occurring
3 in the second five years of the 15-year period, the amount of the
4 excess shall be multiplied by 0.50 to determine the amount of the
5 excess required to be repaid to the Director of the Division of
6 Taxation; and

7 (c) if the taxpayer is required to repay the amount of any excess
8 as a result of the sale or transfer of the taxpayer's license occurring
9 in the third five years of the 15-year period, the amount of the
10 excess shall be multiplied by 0.25 to determine the amount of the
11 excess required to be repaid to the Director of the Division of
12 Taxation.

13 In addition, if the taxpayer converted the credit or any amount of
14 the credit into a tax credit transfer certificate in accordance with
15 subsection d. of this section, the amount of the excess required to be
16 repaid to the Director of the Division of Taxation shall be further
17 reduced, if necessary, in proportion to the amount of consideration
18 received by the taxpayer from the sale or assignment of the tax
19 credit transfer certificate.

20 (3) The amount of excess required to be repaid to the Director of
21 the Division of Taxation pursuant to paragraph (1) or (2) of this
22 subsection shall be a deficiency with respect to the payment of a
23 State tax. The Director of the Division of Taxation shall have all
24 rights, powers and duties authorized under the State Uniform Tax
25 Procedure Law, R.S.54:48-1 et seq., to ensure payment, collection,
26 or recovery of the deficiency, and the taxpayer shall be afforded all
27 protections, rights, and remedies allowed under R.S.54:48-1 et seq.
28 to challenge, protest, or appeal the deficiency or any determination
29 or decision made in connection with the deficiency.

30 The holder of a plenary retail consumption license that has been
31 inactive for more than two years immediately preceding the
32 effective date of P.L. , c. (C.) (pending before the
33 Legislature as this bill) shall not be eligible for the tax credit issued
34 pursuant to this section.
35

36 7. (New section) a. As used in this act, "qualified loss in
37 value" means the loss in value to a taxpayer's plenary retail
38 consumption license calculated pursuant to paragraph (3) of
39 subsection c. of this section.

40 b. A taxpayer who is certified as a qualified holder of a plenary
41 retail consumption license shall be allowed a credit against the tax
42 imposed pursuant to the "New Jersey Gross Income Tax Act,"
43 N.J.S.54A:1-1 et seq. The amount of the credit shall be equal to the
44 qualified loss in value to the taxpayer's license and shall be taken
45 over a five-year period, in five annual installments, at the rate of
46 one-fifth the total amount of the taxpayer's credit for each taxable
47 year of the taxpayer, beginning with the taxable year in which the
48 taxpayer is certified as a qualified holder of a plenary retail

1 consumption license by the Director of the Division of Alcoholic
2 Beverage Control in the Department of Law and Public Safety in
3 accordance with subsection c. of this section.

4 c. (1) To be certified as a qualified holder of a plenary retail
5 consumption license, a taxpayer shall make and file an application
6 for certification with the Director of the Division of Alcoholic
7 Beverage Control within five years of the effective date of P.L. ,
8 c. (C.) (pending before the Legislature as this bill). The
9 application shall be made on forms furnished by the Director of the
10 Division of Alcoholic Beverage Control, and shall require the
11 taxpayer to demonstrate: the location of the premises operated in
12 connection with the license; the number of years the taxpayer has
13 held the license; the original amount paid by the taxpayer for the
14 privilege of holding the license; and the purpose to which the
15 license has been used by the taxpayer.

16 (2) The Director of the Division of Alcoholic Beverage Control
17 shall review each application made and filed in accordance with
18 paragraph (1) of this subsection and make a determination regarding
19 the issuance of a certification within 180 days of the date a
20 complete application is filed. The determination shall be made
21 based upon the Director of the Division of Alcoholic Beverage
22 Control's finding that: the taxpayer acquired the license prior to the
23 date of enactment of P.L. , c. (C.) (pending before the
24 Legislature as this bill); the taxpayer held the license in an active
25 status prior to the effective date of P.L. , c. (C.) (pending
26 before the Legislature as this bill); and the license is used directly
27 by the taxpayer to sell alcoholic beverages for consumption on a
28 licensed premises in accordance with the provisions of R.S.33:1-12.

29 (3) The Director of the Division of Alcoholic Beverage Control
30 shall, at the time a determination regarding the issuance of a
31 certification is made, establish the loss in value to the taxpayer's
32 license. To establish the qualified loss in value, the taxpayer shall
33 issue to the director two separate independent appraisals of the
34 taxpayer's plenary retail consumption license. The appraisals shall
35 demonstrate the fair market value of the license prior to the date of
36 enactment of P.L. , c. (C.) (pending before the Legislature
37 as this bill) and the fair market value of the license at the time the
38 taxpayer files an application for certification with the Director of
39 the Division of Alcoholic Beverage Control. The difference
40 between the fair market value of the license prior to the date of
41 enactment of P.L. , c. (C.) (pending before the Legislature
42 as this bill) and the fair market value of the license at the time the
43 taxpayer files an application for certification shall represent the
44 qualified loss in value to the taxpayer's license.

45 To assist in assessing the qualified loss in value to a license, the
46 Director of the Division of Alcoholic Beverage Control may
47 appoint an advisory committee composed of representatives with
48 knowledge and experience in the appraisal of alcoholic beverage

1 licenses in this State. The director or the advisory committee, as the
2 case may be, shall have the authority to review, approve, or
3 disapprove appraisals issued by the taxpayer.

4 The fair market value of the license prior to the date of
5 enactment of P.L. , c. (C.) (pending before the Legislature
6 as this bill) shall be based upon the average sales price of plenary
7 retail consumption licenses in the municipality in which the
8 licensed premises is located during the five years immediately
9 preceding the date of enactment of P.L. , c. (C.) (pending
10 before the Legislature as this bill). If the licensed premises is
11 located within the boundaries of two or more municipalities, the fair
12 market value shall be based on the average sale price of plenary
13 retail consumption licenses issued in the municipality in which the
14 structure of licensed premises is primarily situated. If less than
15 three plenary retail consumption licenses have been sold in the
16 municipality or municipalities, as the case may be, within the
17 previous five years, the taxpayer shall obtain an appraisal, at the
18 taxpayer's expense, to determine the appropriate fair market value
19 of the license. The appraisal process shall include an examination
20 of previous transactions in the municipality or municipalities, as the
21 case may be, and shall reflect what a willing buyer, under no
22 pressure to buy, would pay a willing seller, under no pressure to
23 sell, for a plenary retail consumption license in that municipality or
24 municipalities, as the case may be.

25 The fair market value of the license at the time that the taxpayer
26 files an application for certification shall be based on an appraisal,
27 obtained at the taxpayer's expense, to determine the appropriate
28 value of the license. The appraisal shall include, but not be limited
29 to, an examination of the following:

30 (a) the average sales price of plenary retail consumption
31 licenses in the municipality in which the licensed premises is
32 located following the date of enactment of P.L. , c. (C.)
33 (pending before the Legislature as this bill);

34 (b) the number of special restricted restaurant permits and
35 restricted beer and wine permits issued in the municipality in which
36 the licensed premises is located following the date of enactment of
37 P.L. , c. (C.) (pending before the Legislature as this bill);
38 and

39 (c) whether the municipality in which the licensed premises is
40 located has undertaken comprehensive plans for future development
41 that would most likely necessitate the issuance of special restricted
42 restaurant permits and restricted beer and wine permits.

43 If a single plenary retail consumption license is used in
44 connection with the operation of multiple restaurants or other
45 establishments located on the same licensed premises, the qualified
46 loss in value established under this paragraph shall be divided by
47 the number of restaurants or establishments operating in connection
48 with that plenary retail consumption license.

1 (4) The Director of the Division of Alcoholic Beverage Control
2 shall issue a written certification to each taxpayer that has made and
3 filed an application that has been reviewed, approved, or
4 disapproved in accordance with paragraphs (2) and (3) of this
5 subsection within 10 days of the date the determination is made.
6 The written certification shall include a detailed explanation of the
7 qualified loss in value to the taxpayer's license established in
8 accordance with paragraph (3) of this subsection. The division
9 shall submit to a taxpayer whose application is disapproved a
10 detailed statement explaining the reasons for which the appraisals
11 did not adequately reflect the qualified loss in value. Each taxpayer
12 issued a certification shall include a copy of the written
13 certification, along with the detailed explanation of the fair market
14 value of the taxpayer's license, when filing a return that includes a
15 claim for the credit allowed in accordance with this section.

16 (5) The Director of the Division of Alcoholic Beverage Control
17 shall provide a copy of each written certification issued in
18 accordance with paragraph (4) of this subsection to the Director of
19 the Division of Taxation in the Department of the Treasury within
20 10 days of the date the certification is issued, and shall prepare a
21 report regarding the administration of the certification process
22 established in accordance with this subsection. The report shall
23 specify: the number of applications made and filed; the number of
24 certifications issued; and the qualified loss in value to each license
25 for which a certification is issued. The report shall be submitted to
26 the Governor, the State Treasurer, and the Legislature, in
27 accordance with section 2 of P.L.1991, c.164 (C.52:14-19.1), within
28 450 days of the effective date of P.L. , c. (C.) (pending
29 before the Legislature as this bill).

30 d. (1) The order of priority of the application of an annual
31 installment of the credit allowed pursuant to this section and any
32 other credit allowed against the gross income tax for a taxable year
33 shall be as prescribed by the Director of the Division of Taxation in
34 the Department of the Treasury. The amount of an annual
35 installment of the credit applied under this section against the gross
36 income tax for a taxable year, together with any other annual
37 installment and any other credits allowed against the gross income
38 tax, shall not reduce the tax liability of the taxpayer to an amount
39 less than zero. No amount of the qualified loss in value to the
40 taxpayer's license that is used as the basis of the credit allowed
41 pursuant to this section shall be allowed as an amount used to
42 calculate a loss or expense of the taxpayer or otherwise reduce or
43 offset that taxpayer's liability for tax pursuant to any other
44 exclusion, deduction, or credit allowed under the gross income tax.
45 The amount of an annual installment of the credit allowable under
46 this section which cannot be applied for a taxable year due to the
47 limitations of this subsection may be carried forward, if necessary,

1 to the earliest available use within the 20 taxable years immediately
2 following the taxable year for which the credit is allowed.

3 (2) A business entity classified as a partnership for federal
4 income tax purposes shall not be allowed a credit under this section
5 directly, but the amount of credit of a taxpayer in respect of a
6 distributive share of entity income, shall be determined by
7 allocating to the taxpayer that proportion of the credit acquired by
8 the entity that is equal to the taxpayer's share, whether or not
9 distributed, of the total distributive income or gain of the entity for
10 its taxable year ending within or with the taxpayer's taxable year
11 except as otherwise provided by law. A New Jersey S Corporation
12 shall not be allowed a credit under this section directly, but the
13 amount of credit of a taxpayer in respect of a pro rata share of S
14 Corporation income, shall be determined by allocating to the
15 taxpayer that proportion of the credit acquired by the New Jersey S
16 Corporation that is equal to the taxpayer's share, whether or not
17 distributed, of the total pro rata share of S Corporation income of
18 the New Jersey S Corporation for its privilege period ending within
19 or with the taxpayer's taxable year.

20 e. A taxpayer may, upon issuance of a certification as a
21 qualified holder of a plenary retail consumption license by the
22 Director of the Division of Alcoholic Beverage Control in
23 accordance with subsection c. of this section, make and file an
24 application to the Director of the Division of Taxation for a tax
25 credit transfer certificate in lieu of the taxpayer being allowed an
26 annual installment of the credit or any amount of an annual
27 installment of the credit that may be taken against the gross income
28 tax liability of the taxpayer. The Director of the Division of
29 Taxation may prescribe the form and manner by which a taxpayer
30 may make and file a separate application in connection with each
31 annual installment of the credit or any amount of each annual
32 installment of the credit, and may consult with the Director of the
33 Division of Alcoholic Beverage Control in reviewing and approving
34 any application for a tax credit transfer certificate of a
35 taxpayer. The tax credit transfer certificate, upon issuance thereof
36 by the Director of the Division of Taxation, may be sold or
37 assigned, in whole or in part, to any other taxpayer that may have a
38 corporation business tax or a gross income tax liability, in exchange
39 for private financial assistance to be provided by the purchaser or
40 assignee to the taxpayer that is allowed a credit under this section.
41 The certificate issued to the taxpayer shall include a statement
42 waiving the taxpayer's right to claim that amount of the annual
43 installment of the credit against the gross income tax that the
44 taxpayer has elected to sell or assign. The sale or assignment of any
45 amount of a tax credit transfer certificate allowed under this
46 subsection shall not be exchanged for consideration received by the
47 taxpayer of less than 75 percent of the transferred credit amount.
48 Any amount of a tax credit transfer certificate used by a purchaser

1 or assignee against a gross income tax liability shall be subject to
2 the same limitations and conditions that apply to the use of a credit
3 pursuant to subsection d. of this section. Any amount of a tax credit
4 transfer certificate obtained by a purchaser or assignee under this
5 section may be applied against the purchaser's or assignee's
6 corporation business tax liability and shall be subject to the same
7 limitations and conditions that apply to the use of a credit pursuant
8 to subsection d. of section 6 of P.L. , c. (C.) (pending
9 before the Legislature as this bill).

10 f. (1) If, in the five-year period beginning with the taxable
11 year in which the taxpayer is certified as a qualified holder of a
12 plenary retail consumption license, the taxpayer sells or transfers
13 any part of the taxpayer's interest in the license to another person,
14 the taxpayer shall forfeit that portion of the taxpayer's credit that is
15 equal to the amount of consideration received by the taxpayer from
16 the sale or transfer of the license. The forfeited portion shall first
17 reduce the balance of any annual installment of a credit of the
18 taxpayer that is allowed but that has not been applied against the tax
19 liability of the taxpayer, or converted into a tax credit transfer
20 certificate and sold or assigned to another taxpayer in accordance
21 with subsection e. of this section, during the taxable year in which
22 the sale or transfer of the license occurs, and then shall reduce the
23 balance of any future annual installment of a credit of a taxpayer
24 who is allowed but that has not been applied, or converted and sold
25 or assigned to another taxpayer, beginning with future annual
26 installments allowed during the taxable year immediately following
27 the taxable year in which the sale or transfer occurs. If, after being
28 used to reduce future annual installments, the forfeited portion
29 exceeds the amount of any allowable credit remaining, the taxpayer
30 shall repay the amount of that excess to the Director of the Division
31 of Taxation; provided however, that if the taxpayer converted an
32 annual installment of the credit or any amount of an annual
33 installment of the credit into a tax credit transfer certificate in
34 accordance with subsection e. of this section, the amount of the
35 excess required to be repaid to the director shall be reduced, if
36 necessary, in proportion to the amount of consideration received by
37 the taxpayer from the sale or assignment of the tax credit transfer
38 certificate.

39 (2) If, in the 15-year period beginning with the fifth taxable year
40 immediately following the taxable year in which the taxpayer is
41 certified as a qualified holder of a plenary retail consumption
42 license, the taxpayer sells or transfers any part of the taxpayer's
43 interest in the license to another person, the taxpayer shall forfeit
44 that portion of the taxpayer's credit that is equal to the amount of
45 consideration received by the taxpayer from the sale or transfer of
46 the license. The forfeited portion shall first reduce the balance of
47 any tax credit carryforward from a prior taxable year that is allowed
48 but that has not been applied against the tax liability of the taxpayer

1 during the taxable year in which the sale or transfer of the license
2 occurs, and then shall reduce the balance of any tax credit
3 carryforward from a prior taxable year that otherwise would have
4 been applied against future tax liabilities of the taxpayer. If, after
5 being used to reduce carryforwards from prior taxable years, the
6 forfeited portion exceeds the amount of any allowable credit
7 remaining, the taxpayer shall repay the amount of that excess to the
8 Director of the Division of Taxation subject to the following
9 limitations:

10 (a) if the taxpayer is required to repay the amount of any excess
11 as a result of the sale or transfer of the taxpayer's license occurring
12 in the first five years of the 15-year period, the amount of the
13 excess shall be multiplied by 0.75 to determine the amount of the
14 excess required to be repaid to the Director of the Division of
15 Taxation;

16 (b) if the taxpayer is required to repay the amount of any excess
17 as a result of the sale or transfer of the taxpayer's license occurring
18 in the second five years of the 15-year period, the amount of the
19 excess shall be multiplied by 0.50 to determine the amount of the
20 excess required to be repaid to the Director of the Division of
21 Taxation; and

22 (c) if the taxpayer is required to repay the amount of any excess
23 as a result of the sale or transfer of the taxpayer's license occurring
24 in the third five years of the 15-year period, the amount of the
25 excess shall be multiplied by 0.25 to determine the amount of the
26 excess required to be repaid to the Director of the Division of
27 Taxation.

28 In addition, if the taxpayer converted the credit or any amount of
29 the credit into a tax credit transfer certificate in accordance with
30 subsection d. of this section, the amount of the excess required to be
31 repaid to the Director of the Division of Taxation shall be further
32 reduced, if necessary, in proportion to the amount of consideration
33 received by the taxpayer from the sale or assignment of the tax
34 credit transfer certificate.

35 (3) The amount of excess required to be repaid to the Director of
36 the Division of Taxation pursuant to paragraph (1) or (2) of this
37 subsection shall be a deficiency with respect to the payment of a
38 State tax. The Director of the Division of Taxation shall have all
39 rights, powers and duties authorized under the State Uniform Tax
40 Procedure Law, R.S.54:48-1 et seq., to ensure payment, collection,
41 or recovery of the deficiency, and the taxpayer shall be afforded all
42 protections, rights, and remedies allowed under R.S.54:48-1 et seq.
43 to challenge, protest, or appeal the deficiency or any determination
44 or decision made in connection with the deficiency.

45 The holder of a plenary retail consumption license that has been
46 inactive for more than two years immediately preceding the
47 effective date of P.L. , c. (C.) (pending before the

1 Legislature as this bill) shall not be eligible for the tax credit issued
2 pursuant to this section.

3

4 8. R.S.33:1-76 is amended to read as follows:

5 33:1-76. Anything to the contrary hereinbefore notwithstanding,
6 and for the benefit not of property but of persons attendant therein,
7 no license shall be issued for the sale of alcoholic beverages within
8 **【two hundred】** 200 feet of any church or public schoolhouse or
9 private schoolhouse not conducted for pecuniary profit, except to
10 manufacturers, wholesalers, hotels, clubs, and fraternal
11 organizations which owned or were actually in possession of the
12 licensed premises on **【December sixth, one thousand nine hundred**
13 **and thirty-three】** December 6, 1933. The protection of this section
14 may be waived at the issuance of the license and at each renewal
15 thereafter, by the duly authorized governing body on authority of
16 **【such】** the church or school, **【such】** and the waiver is to be
17 effective until the date of the next renewal of the license. **【Said**
18 **two hundred】** The 200 feet shall be measured in the normal way
19 that a pedestrian would properly walk from the nearest entrance of
20 said church or school to the nearest entrance of the premises sought
21 to be licensed.

22 The prohibition contained in this section shall not apply to
23 special restricted restaurant permits or restricted beer and wine
24 permits issued pursuant to R.S.33:1-12. In addition, the prohibition
25 contained in this section shall not apply to the renewal of any
26 license where no **【such】** church or schoolhouse was located within
27 **【two hundred】** 200 feet of the licensed premises **【as aforesaid】** at
28 the time of the issuance of the license, nor to the issuance or
29 renewal, or both, of any license where **【such】** the premises have
30 been heretofore licensed for the sale of alcoholic beverages or
31 intoxicating liquors, and **【such】** the church or schoolhouse was
32 constructed or established, or both, during the time **【said】** the
33 premises were operated under **【said】** the previous license.

34 (cf: R.S.33:1-76)

35

36 9. R.S.33:1-31 is amended to read as follows:

37 33:1-31. Any license, whether issued by the director or any
38 other issuing authority, may be suspended or revoked by the
39 director, or the other issuing authority may suspend or revoke any
40 license issued by it, for any of the following causes:

- 41 a. Violation of any of the provisions of this chapter;
- 42 b. Manufacture, transportation, distribution or sale of alcoholic
43 beverages in a manner or to an extent not permitted by the license
44 or by law;
- 45 c. Nonpayment of any excise tax or other payment required by
46 law to be paid to the State Tax Commissioner;

1 d. Failure to comply with any of the provisions of subtitle 8 of
2 the Title Taxation (s.54:41-1 et seq.);

3 e. Failure to have at all times a valid, unrevoked permit, license
4 or special tax stamp, or other indicia of payment, of all fees, taxes,
5 penalties and payments required by any law of the United States;

6 f. Failure to have at all times proper stamps or other proper
7 evidence of payment of any tax required to be paid by any law of
8 this State;

9 g. Any violation of rules and regulations;

10 h. Any violation of any ordinance, resolution or regulation of
11 any other issuing authority or governing board or body;

12 i. Any other act or happening, occurring after the time of
13 making of an application for a license which if it had occurred
14 before said time would have prevented the issuance of the license;
15 or

16 j. For any other cause designated by this chapter.

17 No suspension or revocation of any license shall be made until a
18 five-day notice of the charges preferred against the licensee shall
19 have been given to him personally or by mailing the same by
20 registered mail addressed to him at the licensed premises and a
21 reasonable opportunity to be heard thereon afforded to him.

22 A suspension or revocation of license shall be effected by a
23 notice in writing of such suspension or revocation, designating the
24 effective date thereof, and in case of suspension, the term of such
25 suspension, which notice may be served upon the licensee
26 personally or by mailing the same by registered mail addressed to
27 him at the licensed premises. Such suspension or revocation shall
28 apply to the licensee and to the licensed premises.

29 A revocation shall render the licensee and the officers, directors
30 and each owner, directly or indirectly, of more than 10 **【%】** percent
31 of the stock of a corporate licensee ineligible to hold or receive any
32 other license, of any kind or class under this chapter, for a period of
33 two years from the effective date of such revocation and a second
34 revocation shall render the licensee and the officers, directors and
35 each owner, directly or indirectly, of more than 10 **【%】** percent of
36 the stock of a corporate licensee ineligible to hold or receive any
37 such license at any time thereafter. Any revocation may, in the
38 discretion of the director or other issuing authority as the case may
39 be, render the licensed premises ineligible to become the subject of
40 any further license, of any kind or class under this chapter, during a
41 period of two years from the effective date of the revocation.

42 The director may, in his discretion and subject to rules and
43 regulations, accept from any licensee an offer in compromise in
44 such amount as may in the discretion of the director be proper under
45 the circumstances in lieu of any suspension of any license by the
46 director or any other issuing authority. The director also may, in
47 the director's discretion and subject to rules and regulations, accept

1 from the holder of a special restricted restaurant permit or a
2 restricted beer and wine permit issued pursuant to section 1 or
3 section 2 of P.L. , c. (C.)(pending before the Legislature
4 as this bill) a compromise in lieu of any suspension or revocation
5 pursuant to section 4 of P.L. , c. (C.)(pending before the
6 Legislature as this bill).

7 No refund, except as expressly permitted by section 33:1-26 of
8 this Title, shall be made of any portion of a license fee after
9 issuance of a license; but if any licensee, except a seasonal retail
10 consumption licensee, shall voluntarily surrender his license, there
11 shall be returned to him, after deducting as a surrender fee 50 **[%]**
12 percent of the license fee paid by him, the prorated fee for the
13 unexpired term; provided, that such licensee shall not have
14 committed any violation of this chapter or of any rule or regulation
15 or done anything which in the fair discretion of the director or other
16 issuing authority, as the case may be, should bar or preclude such
17 licensee from making such claim for refund and that all taxes and
18 other set-offs or counterclaims which shall have accrued and shall
19 have become due and payable to this State or any municipality, or
20 both, have been paid. Such refund, if any, shall be made as of the
21 date of such surrender. The surrender of a license shall not bar
22 proceedings to revoke such license. The refusal of the other issuing
23 authority to grant any refund hereunder shall be subject to appeal to
24 the director within 30 days after notice of such refusal is mailed to
25 or served upon the licensee. Surrenders of retail licenses shall be
26 promptly certified by the issuing authority to the director.
27 Surrender fees shall be accounted for as are investigation fees. If
28 any licensee to whom a refund shall become due under the
29 provisions of this section shall be indebted to the State of New
30 Jersey for any taxes, penalties or interest by virtue of the provisions
31 of subtitle 8 of the Title Taxation (s. 54:41-1 et seq.), it shall be the
32 duty of the issuing authority before making any such refund, upon
33 receipt of a certificate of the State Tax Commissioner evidencing
34 the said indebtedness to the State of New Jersey, to deduct
35 therefrom, and to remit forthwith to the State Tax Commissioner the
36 amount of such taxes, penalties and interest.

37 In the event of any suspension or revocation of any license by
38 the other issuing authority, the licensee may, within 30 days after
39 the date of service or of mailing of said notice of suspension or of
40 revocation, upon payment to the director of a nonreturnable filing
41 fee of \$100.00, appeal to the director from the action of the other
42 issuing authority in suspending or revoking such license which
43 appeal shall act as a stay of such suspension or revocation pending
44 the determination thereof unless the director shall otherwise order.
45 When any person files with any other issuing authority written
46 complaint against a licensee specifying charges and requesting that
47 proceedings be instituted to revoke or suspend such license, he may

1 appeal to the director from its refusal to revoke or suspend such
2 license or other action taken by it in connection therewith within 30
3 days from the time of service upon or mailing of notice to him of
4 such refusal or action. The director shall thereupon fix a time for
5 the hearing of the appeal and before hearing the same shall give at
6 least five days' notice of the time so fixed to such licensee, other
7 issuing authority and appellant.
8 (cf: P.L.1992, c.188, s.11)

9
10 10. R.S.33:1-35 is amended to read as follows:

11 33:1-35. The Director of the Division of Alcoholic Beverage
12 Control and each other issuing authority may make, or cause to be
13 made, such investigations as he or it shall deem proper in the
14 administration of this chapter and of any and all other laws now or
15 which may hereafter be in force and effect concerning alcoholic
16 beverages, or the manufacture, distribution or sale thereof, or the
17 collection of taxes thereon, including the inspection and search of
18 premises for which the license is sought or has been issued, of any
19 building containing the same, of licensed buildings, examination of
20 the books, records, accounts, documents and papers of the licensees
21 or on the licensed premises.

22 Every applicant for a license, and every licensee, and every
23 director, officer, agent and employee of every licensee, shall, on
24 demand, exhibit to the director or other issuing authority, as the
25 case may be, or to his or its deputies or investigators, or inspectors
26 or agents all of the matters and things which the director of the
27 division or other issuing authority, as the case may be, is hereby
28 authorized or empowered to investigate, inspect or examine, and to
29 facilitate, as far as may be in their power so to do, in any such
30 investigation, examination or inspection, and they shall not in any
31 way hinder or delay or cause the hindrance or delay of same, in any
32 manner whatsoever. Investigations, inspections and searches of
33 licensed premises may be made without search warrant by the
34 director, his deputies, inspectors or investigators, by each other
35 issuing authority and by any officer.

36 For the purpose of any investigation, examination or inspection,
37 revocation, rule to show cause and every other proceeding
38 authorized under this chapter or appropriate for its enforcement,
39 the director, his deputy directors, attorneys and legal assistants
40 designated to act on his behalf, and each other issuing authority
41 may examine, under oath, any and all persons whatsoever and
42 compel by subpoena the attendance of witnesses and the production
43 of books, records, accounts, papers and documents of any person or
44 persons and the director, his deputy directors, inspectors and
45 investigators and each other issuing authority may take any oath or
46 affirmation of any person to any deposition, statement, report or
47 application required in the administration of this chapter, or of any
48 and all other laws now or which may hereafter be in force and effect

1 concerning alcoholic beverages, or the manufacture, distribution
2 and the sale thereof, or the collection of taxes thereon.

3 The director shall authorize law enforcement officers who serve
4 a municipality to coordinate with the Division of Alcoholic
5 Beverage Control to enforce Title 33 of the Revised Statutes
6 governing the sale of alcoholic beverages by a special restricted
7 restaurant permit or a restricted beer and wine permit issued
8 pursuant to section 1 or section 2 of P.L. , c. (C.)(pending
9 before the Legislature as this bill). A law enforcement officer
10 authorized to coordinate with the Division of Alcoholic Beverage
11 Control to enforce Title 33 of the Revised Statutes shall receive
12 appropriate training by the division.

13 The fees of witnesses required to attend before the director or
14 other issuing authority shall be the same as those allowed to
15 witnesses in the Superior Court.

16 The above enumerations of purposes and powers shall not be
17 construed as exclusive and shall not limit such power to investigate,
18 examine and subpoena for any purpose consonant with the
19 administration and enforcement of this chapter.

20 If a person subpoenaed to attend any hearing refuses or fails to
21 appear or to be examined, or to answer any question or to produce
22 any books, records, accounts, papers and documents when ordered
23 so to do by the director, the director or other issuing authority, as
24 the case may be, may apply to the Superior Court to compel the
25 person to comply forthwith with the subpoena, direction or order of
26 the director or the other issuing authority, as the case may be.

27 Each deputy director shall have and exercise all the powers
28 conferred by this chapter upon the director to the extent that the
29 same shall be delegated to him by the director by rules and
30 regulations.

31 One of such deputy directors shall be designated by the director
32 with power to perform all of the duties of the director in case of his
33 absence or inability to act for any cause and who shall also have
34 authority to so act in the event of the death of the director until a
35 successor has been appointed and qualified.

36 (cf: P.L.1953, c.32, s.2)

37
38 11. (New section) The provisions of P.L. ,
39 c. (C.)(pending before the Legislature as this bill) are
40 severable; if any provision, or application of any provision, of
41 P.L. , c. (C.)(pending before the Legislature as this bill) is
42 held invalid by any court, the holding or judgment shall not affect
43 the remaining provisions or applications of the provisions thereof.

44
45 12. This act shall take effect on the first day of the nineteenth
46 month following enactment.

STATEMENT

This bill establishes two new permits which would allow restaurants located in certain restaurant districts to sell alcoholic beverage for on-premises consumption. The first permit is a special restricted restaurant permit which allows the holder to sell beer, wine, and spirits. The second permit is a restricted beer and wine permit which allows the holder to sell only beer and wine by the bottle or can. The bill defines “restaurant district” as an urban enterprise zone; downtown business improvement zone; pedestrian mall or pedestrian mall improvement or special improvement district; transit oriented development; area determined to be in need of redevelopment; area determined to be in need of rehabilitation; or any area designated by statute following the bill’s enactment which allows a municipality to adopt a zoning ordinance for the purpose of improvement, development, redevelopment, rehabilitation, or revitalization.

These permits would only be available for use in connection with restaurants that occupy a gross square footage of between 800 and 4,500. The governing body of a municipality may establish by ordinance the number of permits that would be issued, but would be allowed to issue an unlimited number of these permits within the municipality. The bill prohibits the issuance of these permits in a county of the fifth or sixth class having a population less than 200,000 according to the latest federal decennial census.

Under the bill, alcoholic beverages only may be sold in connection with the sale of food at a table by an employee of the restaurant. The bill prohibits a permit holder from closing the restaurant during the months of September through May for a period of more than 30 consecutive days. The permit holder is prohibited from providing a bar area for customers of the restaurant to congregate and consume alcoholic beverages. However, the holder of a special restricted restaurant permit may provide a service bar at which alcoholic beverages are prepared for customers at a table. An employee of the restaurant may be stationed at the service bar to prepare drinks for customers, but may only transfer alcoholic beverages to the wait staff at the restaurant. The bill prohibits the employee stationed at the service bar from serving drinks directly to restaurant patrons. The holder of a restricted beer and wine permit is prohibited from having a service bar.

The permit holder is required to offer a standard printed menu or menu board system or similar signage featuring a list of meals with separate prices listed adjacent to each meal. For parties of 10 restaurant patrons or greater, the bill allows a permit holder to offer a full-course menu with a limited number of meal choices for a fixed price.

1 Under the bill, the governing body of a municipality would be
2 required to adopt an ordinance or resolution authorizing the
3 issuance of the permits. The bill allows the ordinance or resolution
4 to establish the days and times during which the permit holder may
5 sell alcoholic beverages. The ordinance may set different hours
6 during which the permit holders may sell alcoholic beverages from
7 other licensees operating in the municipality.

8 The bill allows the holders of special restricted restaurant
9 permits and beer and wine permits to sell alcohol within 200 feet of
10 places of worship and schools. This practice is prohibited for other
11 businesses that sell alcoholic beverages.

12 The bill requires the governing body of the municipality to
13 coordinate with the Director of the Division of Alcoholic Beverage
14 Control (ABC) to require municipal law enforcement officers to
15 enforce Title 33 of the Revised Statutes governing the sale of
16 alcoholic beverages by the holder of a special restricted restaurant
17 permit or beer and wine permit. If the municipality does not have a
18 municipal law enforcement agency, the additional enforcement of
19 Title 33 of the Revised Statutes is to be assumed by the appropriate
20 law enforcement agency serving the municipality. The bill requires
21 a law enforcement officer authorized to coordinate with the division
22 to enforce Title 33 of the Revised Statutes to receive appropriate
23 training by the division.

24 The bill establishes a fee schedule for the initial issuance and
25 annual renewal of the special restricted restaurant permit and
26 restricted beer and wine permit based on the gross square footage of
27 the restaurant. The initial fee and annual renewal fee for the special
28 restricted restaurant license is \$7,500 for a restaurant with a gross
29 square footage of 800 to 2,000, and \$10,000 for a restaurant with a
30 gross square footage of 2,001 to 4,500. The fees imposed for the
31 restricted beer and wine permit are set at \$3,000 for a restaurant
32 with a gross square footage of 800 to 2,000 and \$5,000 for a
33 restaurant with a gross square footage of 2,001 to 4,500.

34 The initial fee and renewal fee are to be paid in the following
35 manner: \$2,500 of the fee for the special restricted restaurant license
36 and \$1250 for the fee for the restricted beer and wine license is to be
37 paid to the municipality where the restaurant is located and if the
38 restaurant is located within the boundaries of two or more
39 municipalities, the fee is to be divided equally among those
40 municipalities; the remainder of the fee is to be paid to the to the
41 Director Division of Taxation to be used solely for the purposes of
42 offsetting the costs associated with issuing tax credits provided
43 under the bill. After the Division of Taxation is reimbursed for
44 costs associated with issuing tax credits, the full fee is to be paid to
45 the municipality. In addition, the bill requires permit holders to pay
46 to the Director of the Division of Alcoholic Beverage Control any
47 applicable renewal fees that the holder of a plenary retail
48 consumption license is required to pay under current law.

1 The bill imposes certain penalties on the holders of the special
2 restricted restaurant permit or restricted beer and wine permit who
3 violate the law. For a first offense, a special restricted restaurant
4 permit holder is required to pay a civil penalty of \$5,000 and a
5 restricted beer and wine permit holder is required to pay \$2,500.
6 Both permit holders are subject to a mandatory suspension of the
7 permit for six months. For a second offense, both permits are to be
8 revoked and the permit holders are required to pay a \$10,000 civil
9 penalty. A revocation for a second offense would render the permit
10 holder and the officers, directors and each owner, directly or
11 indirectly, of more than 10 percent of the stock of a corporate
12 permit holder ineligible to receive another special restricted
13 restaurant permit or restricted beer and wine permit for 10 years
14 following the date that the revocation of the permit became
15 effective. The bill requires that 25 percent of the fine money is to be
16 paid to Division of Taxation to be used solely for operating the
17 Alcoholic Beverage Control Enforcement Bureau in the Division of
18 ABC and the State Police. The remaining 75 percent of the fines
19 imposed is to be collected by the Director of ABC and paid to the
20 municipality in which the violation occurred.

21 The bill also allows the holder of a permit to make an offer of
22 payment to the Director of ABC in lieu of suspension or revocation
23 of the permit. This practice is currently permitted for the holder of
24 a plenary retail consumption license, which is subject to suspension.

25 This bill further provides for the issuance of additional plenary
26 retail consumption licenses by municipalities that have adopted a
27 master plan pursuant to the provisions of section 19 of P.L.1975,
28 c.291 (C.40:55D-28). These municipalities may issue the additional
29 plenary retail consumption licenses based upon the population
30 projections for that municipality contained in the master plan and
31 the schedule set forth under the bill. The schedule relies upon the
32 population projection in the master plan. If the projected peak
33 population supports the issuance of one or more additional plenary
34 retail consumption licenses, the municipality immediately may issue
35 one additional license. The municipality may issue another plenary
36 retail consumption license whenever an additional 3,000 or more
37 persons are added to the municipality's population, until the
38 maximum number of licenses supported by the projected peak
39 population in the master plan has been issued.

40 Finally, the bill provides a tax credit to existing consumption
41 licensees for "the qualified loss in value" resulting from the
42 creation of the new restaurant licenses. The tax credit is required to
43 be taken over a five-year period, in five annual installments, at the
44 rate of one-fifth the total amount of the taxpayer's allowable credit.
45 In order to calculate the qualified loss in value, a consumption
46 licensee would be required to obtain an appraisal—at the licensee's
47 expense—of the fair market value of the license prior to the bill's
48 enactment, and a separate appraisal of the license's value after the

1 bill's enactment. The "qualified loss in value" would be based on
2 the following calculation: Appraisal prior to bill's enactment -
3 Appraisal after bill's enactment = "Qualified loss in value."

4 The first appraisal would be based upon the average sales price
5 of plenary retail consumption licenses in the municipality in which
6 the licensed premises is located during the five years prior to the
7 bill's enactment. The second appraisal would be based on a number
8 of factors including: the average sale price of a license after the
9 bill's effective date; the number of special permits issued in the
10 municipality; and whether the municipality has undertaken plans for
11 future development that would necessitate the issuance of new R1
12 and R2 licenses. Under the bill, a consumption licensee would have
13 five years from the date of the bill's enactment to obtain the
14 appraisals and file for the tax credit. The bill allows the Director of
15 ABC to appoint an advisory committee composed of representatives
16 with knowledge and experience in the appraisal of alcoholic
17 beverage licenses in this State.

18 The bill permits qualified license holders to convert allowable
19 tax credits to tax credit transfer certificates upon application to and
20 approval by the Director of the Division of Taxation in the
21 Department of the Treasury. The bill authorizes qualified license
22 holders to sell any amount of the credit that is converted to a tax
23 credit transfer certificate to another taxpayer in exchange for private
24 financial consideration, but stipulates that the consideration
25 received by the qualified license holder from the sale cannot be less
26 than 75 percent of the transferred credit amount.

27 The bill provides that a qualified license holder who is allowed a
28 credit is permitted to maintain the plenary retail consumption
29 license and operate a licensed premises in this State. However, the
30 bill provides that taxpayers who sell their interest in the
31 consumption license during the five-year tax period in which they
32 are eligible to receive annual installments of the credit, must forfeit
33 that portion of the qualified licensee's credit that is equal to the
34 amount of consideration received from the sale or transfer of the
35 license. The bill provides that the forfeited amount will reduce any
36 unused credit of the taxpayer that has not been used, sold, or
37 assigned to another taxpayer and, if after the forfeited amount is
38 used to reduce any allowable credit of the taxpayer, the balance of
39 the forfeited portion remaining must be repaid to the Director of the
40 Division of Taxation.

41 Additionally, the bill provides that taxpayers who sell their
42 interest in the consumption license during a fifteen-year period
43 following the five-year tax period in which they are eligible to
44 receive annual installments of the credit, must similarly forfeit that
45 portion of the qualified licensee's credit that is equal to the amount
46 of consideration received from the sale or transfer of the license.
47 The bill provides that the forfeited amount will reduce any tax
48 credit carryover that is allowed but has not been used by the

1 taxpayer, and, if after the forfeited amount is used to reduce any
2 allowable credit of the taxpayer, the balance of the forfeited portion
3 remaining must be repaid to the Director of the Division of
4 Taxation, at reduced amounts based upon when the sale or transfer
5 of the license occurs.

6 The bill requires the Director of ABC to submit a report to the
7 Governor and the Legislature within one year of the bill's
8 enactment and annually thereafter. The report is to include, but not
9 be limited to, the number of permits issued pursuant to this section; the
10 locations for which the permits are issued; the number of permit
11 suspensions or revocations initiated; any information pertaining to
12 violations committed by a permit holder under Title 2C of the New
13 Jersey Statutes and Title 33 of the Revised Statutes; and the status of
14 pending applications for a tax credit and the number of tax credits
15 approved or denied.