

ASSEMBLY ENVIRONMENT AND SOLID WASTE
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5121

STATE OF NEW JERSEY

DATED: JANUARY 27, 2021

The Assembly Environment and Solid Waste Committee reports favorably Assembly Bill No. 5121.

This bill exempts the sale or use of energy utility service to qualifying recycled materials manufacturing facilities from the sales and use tax, for an initial period of seven years. The bill requires the Division of Taxation to annually review the economic feasibility of continuing to provide qualifying recycled materials manufacturing facilities with the exemption from the sales and use tax and to submit their recommendations to the Legislature as to whether such exemptions should be continued. The exemption established by the bill for recycled materials manufacturing facilities would continue until the Division of Taxation recommends the termination of the sales and use tax exemption.

The exemption from the sales and use tax established by the bill is similar to the exemption provided under current law to certain recovered materials manufacturing facilities.