

[First Reprint]

SENATE, No. 3404

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED FEBRUARY 4, 2021

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

Senator JOSEPH A. LAGANA

District 38 (Bergen and Passaic)

Co-Sponsored by:

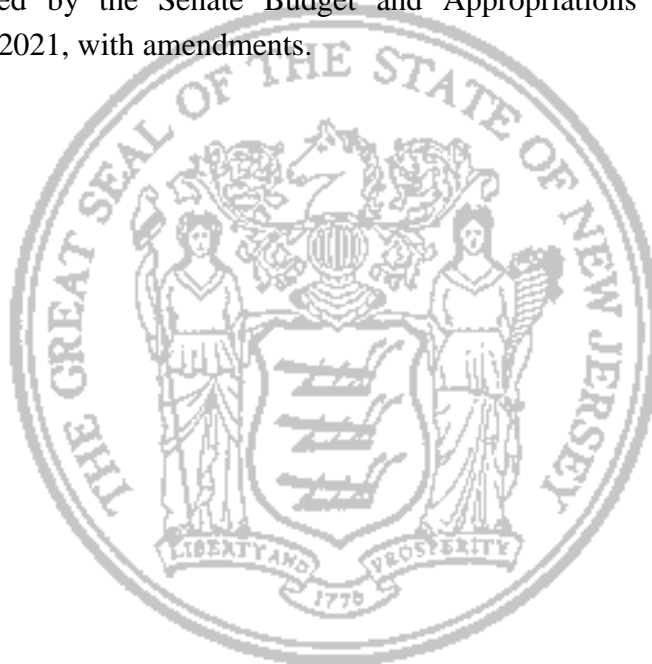
Senators Diegnan, Thompson and Greenstein

SYNOPSIS

Allows certain taxpayers to accelerate depreciation of certain expenditures under corporation business and gross income taxes.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on December 6, 2021, with amendments.



(Sponsorship Updated As Of: 12/20/2021)

1 AN ACT allowing certain ¹**restaurant owners** taxpayers¹ to
 2 accelerate depreciation of certain expenditures under corporation
 3 business and gross income taxes, supplementing P.L.1945, c.162
 4 and Title 54A of Revised Statutes.

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

8
 9 1. a. Notwithstanding paragraph (12) of subsection (k) of
 10 section 4 of P.L.1945, c.162 (C.54:10A-4), a taxpayer who is ¹the
 11 owner of¹ a small business restaurant ¹**owner** , wedding venue,
 12 banquet hall, or an alcoholic beverage manufacturer¹ shall be
 13 allowed the additional depreciation allowance of subsection (k) of
 14 section 168 of the federal Internal Revenue Code of 1986 (26
 15 U.S.C. s.168) for up to \$150,000 of eligible property expenditures
 16 for the restaurant¹, wedding venue, banquet hall, or alcoholic
 17 beverage manufacturer¹. The director shall prescribe the rules and
 18 regulations necessary to carry out the provisions of this section.

19 b. As used in this section:

20 ¹“Alcoholic beverage manufacturer” means a limited brewery,
 21 winery, distillery, cidery, or meadery licensed pursuant to R.S.33:1-
 22 10.¹

23 “Director” means Director of the Division of Taxation in the
 24 Department of the Treasury.

25 “Eligible property expenditures” means capital expenditures
 26 incurred by the taxpayer to comply with the health and safety
 27 requirements imposed under the executive orders issued by the
 28 Governor in response to the COVID-19 pandemic, including but not
 29 limited to the purchase of heaters and overhangs ¹and upgrades to
 30 heating, ventilation, and air conditioning systems¹.

31 “Small business restaurant” means a restaurant as defined in
 32 section 1 of P.L.1983, c.488 (C.26:3E-1) with not more than 100
 33 employees, but shall not include a restaurant ¹**with** if its owner
 34 also owns¹ more than two ¹**separate** restaurants that are operated
 35 under the same name as the small business restaurant¹ at locations
 36 outside the State.

37
 38 2. a. Notwithstanding section 26 of P.L.2004, c.65 (C.54A:5-
 39 1.2), a taxpayer who is ¹the owner of¹ a small business restaurant
 40 ¹**owner** , wedding venue, banquet hall, or an alcoholic beverage
 41 manufacturer¹ shall be allowed the additional depreciation
 42 allowance of subsection (k) of section 168 of the federal Internal
 43 Revenue Code of 1986 (26 U.S.C. s.168) for up to \$150,000 of
 44 eligible property expenditures for the restaurant¹, wedding venue,

EXPLANATION – Matter enclosed in bold-faced brackets **thus** in the above bill is
 not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SBA committee amendments adopted December 6, 2021.

1 banquet hall, or alcoholic beverage manufacturer¹, provided that,
2 section 26 of P.L.2004, c.65 (C.54A:5-1.2) prohibited such
3 additional depreciation allowance. The director shall prescribe the
4 rules and regulations necessary to carry out the provisions of this
5 section.

6 b. As used in this section:

7 ¹“Alcoholic beverage manufacturer” means a limited brewery,
8 winery, distillery, cidery, or meadery licensed pursuant to R.S.33:1-
9 10.¹

10 “Director” means Director of the Division of Taxation in the
11 Department of the Treasury.

12 “Eligible property expenditures” means capital expenditures
13 incurred by the taxpayer to comply with the health and safety
14 requirements imposed under the executive orders issued by the
15 Governor in response to the COVID-19 pandemic, including but not
16 limited to the purchase of heaters and overhangs ¹and upgrades to
17 heating, ventilation, and air conditioning systems¹.

18 “Small business restaurant” means a restaurant, as defined in
19 section 1 of P.L.1983, c.488 (C.26:3E-1) with not more than 100
20 employees, but shall not include a restaurant ¹【with】 if its owner
21 also owns¹ more than two ¹【separate】 restaurants that are operated
22 under the same name as the small business restaurant¹ at locations
23 outside the State.

24

25 3. This act shall take effect immediately ¹and shall be
26 retroactive to March 9, 2020¹.