

ASSEMBLY, No. 219

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblywoman WEINBERG and Assemblyman DORIA

1 AN ACT concerning payments in lieu of taxation for certain Port  
2 Authority of New York and New Jersey property and  
3 supplementing Title 32 of the Revised Statutes.

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

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8 1. a. Notwithstanding any law, rule or regulation to the contrary,  
9 a payment in lieu of taxes shall be made with respect to real property  
10 owned by the port authority which is situated within the corporate  
11 boundaries of municipalities located in the State of New Jersey. The  
12 payment in lieu of taxes shall be in an amount equal to the municipal  
13 purposes tax rate of the respective municipality multiplied by the  
14 taxable value of the property prescribed by law pursuant to section 1  
15 of P.L.1960, c.51 (C.54:4-2.25).

16 b. Each impacted municipality is hereby authorized and empowered  
17 to collect the payments which the port authority is hereby required to  
18 make. The tax collector shall bill the port authority for the payment  
19 in lieu of taxes at the same time that property tax bills are sent. The  
20 payment in lieu of taxes shall be payable quarterly in equal installments  
21 at the same time that property tax bills are due. The sums so received  
22 shall be budgeted for the items to which municipal purposes taxes may  
23 be applied. Delinquent payments in lieu of taxes shall be considered  
24 delinquent taxes for the purposes of chapters 4 and 5 of Title 54 of the  
25 Revised Statutes.

26 c. Nothing in this 1995 supplementary act shall be construed as  
27 voiding any negotiated payment in lieu of taxes by the port authority  
28 which exceeds the amount otherwise due pursuant to subsection b. of  
29 this section, or to prohibit any such negotiated payment.

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31 2. This act shall take effect upon the enactment into law by the  
32 state of New York of legislation having an identical effect with this  
33 act, but if the state of New York has already enacted such legislation  
34 this act shall take effect immediately.

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STATEMENT

This bill requires payments in lieu of taxes for real property located in New Jersey which is owned by the Port Authority of New York and New Jersey and which is tax exempt.

Specifically, real property owned by the Port Authority of New York and New Jersey which is situated within the corporate boundaries of any New Jersey municipality would be subject to a payment equal to the amount of municipal purposes taxes that would be due on the property if it were not tax exempt. The bill contains language "holding harmless" any present or future payments in lieu of taxes by the authority that are negotiated at amounts exceeding the amount due under the bill.

This supplement to the law would take effect upon enactment of a statute of identical effect in the State of New York.

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Commences PILOT for tax exempt real property owned by Port Authority of New York and New Jersey.