ASSEMBLY, No. 255

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblymen GARCIA and ROMANO

AN ACT concerning payments in lieu of taxation of certain Port Authority of New York and New Jersey property and amending P.L.1931, c.4.

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

1. Section 14 of P.L.1931, c.4 (R.S.32:1-131) is amended to read as follows:

14. a. The construction, maintenance and operation of vehicular bridges and tunnels within the said Port of New York District (including the said Holland tunnel and the said Midtown Hudson tunnel), are and will be in all respects for the benefit of the people of the states of New York and New Jersey, for the increase of their commerce and prosperity and for the improvement of their health and living conditions; and the port authority shall be regarded as performing an essential governmental function in undertaking the construction, maintenance and operation thereof and in carrying out the provisions of law relating thereto, and shall be required to pay no taxes or assessments upon any of the property acquired or used by it for such purposes.

b. (1) Notwithstanding subsection a. of this section or any law to the contrary, a payment in lieu of taxes shall be made with respect to real property owned by the Port Authority of New York and New Jersey which is situate within the corporate boundaries of Weehawken Township in Hudson County, New Jersey in each tax year. The payment in lieu of taxes shall be in an amount agreed to between Weehawken Township and the Port Authority of New York and New Jersey in the year prior to the tax year for which the payment is due. For any year for which Weehawken Township and the Port Authority of New York and New Jersey fail to agree on an amount to be paid in lieu of taxes, the payment due to the municipality shall be an amount

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

Matter underlined thus is new matter.

equal to the municipal purposes tax rate multiplied by the taxable value of the property prescribed by law pursuant to section 1 of P.L.1960, c.51 (C.54:4-2.25). The tax collector shall bill the Port Authority of New York and New Jersey for the payment in lieu of taxes at the same time that property tax bills are sent. The payment in lieu of taxes shall be payable quarterly in equal installments at the same time that property tax bills are due.

(2) Weehawken Township is hereby authorized and empowered to enter into an agreement with the port authority to accept the payments which the port authority is hereby authorized and empowered to make. The sums so received by Weehawken Township shall be devoted to municipal purposes to which municipal purpose taxes may be applied.

(cf: R.S.32:1-131)

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

STATEMENT

This bill commences payments in lieu of taxes for real property located in Weehawken Township 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 situate within the corporate boundaries of Weehawken Township in Hudson County, New Jersey will be the subject of an agreement between the municipality and the port authority determining the amount of the payment. If no agreement is reached in the year prior to the tax year for which the payment is due, the payment will be equal to the amount of taxes that would be due on the property if it was not tax exempt. This amendment to the law would take effect upon enactment of a similar or substantially similar statute in the State of New York.

Commences PILOT for real property located in Weehawken Township owned by Port Authority of New York and New Jersey which is tax exempt.