

ASSEMBLY, No. 1306

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman BROWN

1 AN ACT extending the expiration date and limiting the enactment and
2 use of certain local payroll taxes, and amending P.L.1970, c.326.

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

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7 1. Section 19 of P.L.1970, c.326 (C.40:48C-19) is amended to
8 read as follows:

9 19. No tax shall be imposed under any ordinance adopted pursuant
10 to this article with respect to services performed prior to January 1,
11 1971, or in a calendar quarter prior to that in which the ordinance is
12 adopted [or on or after January 1, 1996, but any such ordinance shall
13 remain in effect with respect to the right of the municipality to receive
14 reports and enforce and collect taxes due thereunder for any period
15 prior to January 1, 1996] nor shall a tax be imposed unless the
16 municipality has within two years prior to July 1, 1996 collected taxes
17 or adopted an ordinance imposing a tax. Any municipality making use
18 of its authority to implement a payroll tax pursuant to this article,
19 which had not already imposed such a tax in the two-year period prior
20 to July 1, 1995, shall use all of the proceeds of such tax solely to
21 satisfy property tax refunds or to pay principal and interest on fiscal
22 year adjustment bonds, and for no other purpose.

23 No payroll tax imposed pursuant to this article shall be enforced or
24 collected for any period after December 31, 1997, but any such
25 ordinance imposing the tax shall remain in effect with respect to the
26 right of the municipality to receive reports and enforce and collect
27 taxes due thereunder for any period prior to January 1, 1998.

28 (cf: P.L.1994, c.28, s.2.)

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.

1 2. This act shall take effect immediately.

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STATEMENT

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6 This bill extends the payroll tax portion of the "Local Tax
7 Authorization Act," and would enable Jersey City to impose a payroll
8 tax for the limited purpose of satisfying judgments for property tax
9 appeals ordering property tax refunds and for the payment of principal
10 and interest on fiscal year adjustment bonds. Revenues from this tax
11 would help Jersey City satisfy judgments on tax appeals resulting from
12 excessive commercial assessments. The bill extends the authority to
13 impose a payroll tax through the period ending December 31, 1997.

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18 Extends expiration date and limits enactment and use of certain payroll
19 taxes under "Local Tax Authorization Act."