

ASSEMBLY, No. 2293

STATE OF NEW JERSEY

INTRODUCED SEPTEMBER 16, 1996

By Assemblywoman FARRAGHER

1 AN ACT concerning certain municipalities that have established special  
2 improvement districts and supplementing P.L.1983, c.303  
3 (C.52:27H-60 et seq.).  
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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. Notwithstanding the provisions of P.L.1983, c.303 (C.52:27H-  
9 60 et seq.) to the contrary, any special improvement district in an  
10 urban municipality in the State in which that special improvement  
11 district established pursuant to the provisions of P.L.1972, c.134  
12 (C.40:56-65 et seq.) has been in operation for five or more years,  
13 which is situate in a municipality incorporated prior to 1920, and  
14 which is located within a 25 mile radius of two or more designated  
15 urban enterprise zones shall be designated as an urban enterprise zone  
16 by the Urban Enterprise Zone Authority and shall be entitled to receive  
17 all of the benefits of such designation as set forth in P.L.1983, c.303  
18 (C.52:27H-60 et seq.) for a ten year period, except that the 50%  
19 reduction of the tax imposed under the "Sales and Use Tax Act,"  
20 P.L.1966, c.30 (C.54:32B-1 et seq.) imposed under section 21 of  
21 P.L.1983, c.303 (C.52:27H-80) shall not apply.

22 Fifty per cent of all revenues received from the taxation of retail  
23 sales made by certified vendors from business locations in urban  
24 enterprise zones designated pursuant to this section shall be deposited  
25 immediately upon collection by the Department of the Treasury in the  
26 enterprise zone assistance fund created pursuant to section 29 of  
27 P.L.1983, c.303 (C.52:27H-88).  
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29 2. The revenues required to be deposited in the enterprise zone  
30 assistance fund under section 1 of P.L. , c. (C. )  
31 (pending before the Legislature as this bill) shall be used for the  
32 purposes of that fund, for the uses set forth in section 29 of P.L.1983,  
33 c.303 (C.52:27H-88), or for infrastructure improvements in the special  
34 improvement districts, subject to the annual appropriations being made  
35 for those purposes and uses.  
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37 3. This act shall take effect immediately.

## STATEMENT

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The provisions of this bill are intended to facilitate the revitalization of certain special improvement districts located in older urban municipalities and that are located in close proximity to at least two urban enterprise zones. Under current law, businesses that are located within a special improvement district are assessed an additional property tax that is dedicated for use for projects or services within the special improvement district. This bill provides an additional pool of money for special improvement districts to use in their revitalization efforts.

This bill requires that any special improvement district in an urban municipality in the State in which that special improvement district established pursuant to the provisions of P.L.1972, c.134 (C.40:56-65 et seq.) has been in operation for five or more years, which is situate in a municipality incorporated prior to 1920, and which is located within a 25 mile radius of two or more designated urban enterprise zones shall be designated as an urban enterprise zone by the Urban Enterprise Zone Authority and shall be entitled to receive all of the benefits of such designation as set forth in P.L.1983, c.303 (C.52:27H-60 et seq.) for a ten year period. However, the 50% reduction of the tax imposed under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.) imposed under section 21 of P.L.1983, c.303 (C.52:27H-80) shall not apply.

Fifty per cent of all revenues received from the taxation of retail sales made by certified vendors from business locations in urban enterprise zones designated under the bill are required to be deposited immediately upon collection by the Department of the Treasury in the enterprise zone assistance fund created in the district pursuant to current law.

The revenues required to be deposited in the enterprise zone assistance fund must be used for current statutory purposes under the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.) or for infrastructure improvements in the special improvement district.

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Requires special improvement districts in certain urban municipalities to be designated as urban enterprise zones.