

ASSEMBLY, No. 2520

STATE OF NEW JERSEY

INTRODUCED DECEMBER 5, 1996

By Assemblywoman ALLEN and Assemblyman DeSOPO

1 AN ACT dedicating for the Legislative Initiative Municipal Block  
2 Grant Program certain increased gross income tax revenues  
3 certified to be collected that are in excess of those collected for the  
4 prior fiscal year, amending P.L.1995, c.247.

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

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9 1. Section 1 of P.L.1995, c.247 (C.52:27D-181.1) is amended to  
10 read as follows:

11 1. a. There shall be appropriated annually by the Legislature for  
12 each State fiscal year an amount not less than \$33,000,000 for the  
13 Legislative Initiative Municipal Block Grant Program. The amount  
14 appropriated shall be distributed to municipalities on or before  
15 September 1 of the State fiscal year in proportion to the number of  
16 residents of each municipality as determined pursuant to the most  
17 recent federal decennial census. The payment of Legislative Initiative  
18 Municipal Block Grant Program aid shall be used solely and  
19 exclusively by each municipality for the purpose of reducing the  
20 amount the municipality is required to raise by local property tax levy  
21 for municipal purposes. If the amount of the payment exceeds the  
22 amount required to be raised by local property tax levy for municipal  
23 purposes, the balance of the payment shall be used to reduce the  
24 amount the municipality is required to collect for county purposes,  
25 notwithstanding the provisions of this or any other law to the contrary.  
26 The Director of the Division of Local Government Services in the  
27 Department of Community Affairs shall certify annually that each  
28 municipality has complied with the requirements set forth herein.

29 b. In addition to the amount required to be appropriated pursuant  
30 to subsection a. of this section, there shall be appropriated annually for  
31 the Legislative Initiative Municipal Block Grant Program, the amount  
32 of \$41,000,000, or if the increase is less than \$41,000,000, such less  
33 amount, from the increase in the amount of gross income tax revenue  
34 estimated to be collected as certified by the Governor upon approval

**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 of the annual appropriation act for the current fiscal year over the  
2 actual revenue collections pursuant to the "New Jersey Gross Income  
3 Tax Act," N.J.S.54A:1-1 et seq., for the fiscal year immediately  
4 preceding the fiscal year in which the appropriation shall be made.  
5 (cf: P.L.1995, c.247, s.1)

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7 2. This act shall take effect immediately.

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10 STATEMENT

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12 This bill dedicates for property tax relief to municipalites up to  
13 \$41,000,000 in increased gross income tax revenue estimated to be  
14 collected in any State fiscal year over the prior fiscal year gross  
15 income tax collections. Under this bill the amount of any annual  
16 growth in gross income tax revenues, as measured by the Governor's  
17 certification of the revenues to be collected upon enactment of the  
18 annual appropriations act, over the prior fiscal year actual gross  
19 income tax collections, up to \$41,000,000, will be appropriated for  
20 municipal property tax relief and distributed in the State fiscal year on  
21 a per capita basis pursuant to the Legislative Initiative Municipal  
22 Block Grant Program.

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27 \_\_\_\_\_  
28 Dedicates for the Legislative Initiative Municipal Block Grant Program  
29 certain increased gross income tax revenues certified to be collected  
that are in excess of the amount collected in the prior fiscal year.