

ASSEMBLY, No. 2521

STATE OF NEW JERSEY

INTRODUCED DECEMBER 5, 1996

By Assemblywoman ALLEN and Assemblyman DeSOPO

1 AN ACT concerning the amount of public utility gross receipts and  
2 franchise taxes paid to municipalities annually, amending P.L.1991,  
3 c.184.

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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. Section 25 of P.L.1991, c.184 (C.54:30A-24.3) is amended to  
9 read as follows:

10 25. a. There shall be annually appropriated for apportionment and  
11 payment to municipalities pursuant to section 9 of P.L.1940, c.4  
12 (C.54:30A-24), section 2 of P.L.1980, c.10 (C.54:30A-24.1), sections  
13 12 and 13 of P.L.1940, c.5 (C.54:30A-60 and C.54:30A-61), section  
14 4 of P.L.1980, c.11 (C.54:30A-61.1) and section 19 of P.L.1991,  
15 c.184 (C.54:30A-61.2), an amount not less than \$685,000,000,  
16 notwithstanding any other provision of law to the contrary and  
17 notwithstanding the amount of taxes paid by taxpayers pursuant to  
18 P.L.1940, c.4 (C.54:30A-16 et seq.), P.L.1940, c.5 (C.54:30A-49 et  
19 seq.) and P.L.1991, c.184 (C.54:30A-18.6 et al.).

20 Notwithstanding any other provision of law to the contrary, the  
21 amount specified in this section for appropriation shall be annually  
22 apportioned for payment in the same amounts to the same  
23 municipalities as received such payments in calendar year 1995  
24 pursuant to P.L.1995, c.164, the fiscal year 1996 annual  
25 appropriations law.

26 b. There shall be annually appropriated as supplementary payments  
27 to municipalities in calendar years that begin in State fiscal years  
28 during which amounts in excess of \$782,000,000 are anticipated to be  
29 collected for Public Utility Gross Receipts and Franchise taxes  
30 (combined), the sum of \$97,000,000 for distribution in the same  
31 amounts to the same municipalities as received payments in calendar  
32 year 1995 pursuant to P.L.1995, c.148.

33 (cf: P.L.1991, c.184, s.25)

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. Section 26 of P.L.1991, c.184 (C.54:30A-61.3) is amended to  
2 read as follows:

3       26. a. There shall be annually appropriated for apportionment and  
4 payment to municipalities pursuant to section 9 of P.L.1940, c.4  
5 (C.54:30A-24), section 2 of P.L.1980, c.10 (C.54:30A-24.1), sections  
6 12 and 13 of P.L.1940, c.5 (C.54:30A-60 and C.54:30A-61), section  
7 4 of P.L.1980, c.11 (C.54:30A-61.1) and section 19 of P.L.1991,  
8 c.184 (C.54:30A-61.2), an amount not less than \$685,000,000,  
9 notwithstanding any other provision of law to the contrary and  
10 notwithstanding the amount of taxes paid by taxpayers pursuant to  
11 P.L.1940, c.4 (C.54:30A-16 et seq.), P.L.1940, c.5 (C.54:30A-49 et  
12 seq.) and P.L.1991, c.184 (C.54:30A-18.6 et al.).

13       Notwithstanding any other provision of law to the contrary, the  
14 amount specified in this section for appropriation shall be annually  
15 apportioned for payment in the same amounts to the same  
16 municipalities as received such payments in calendar year 1995  
17 pursuant to P.L.1995, c.164, the fiscal year 1996 annual  
18 appropriations law.

19       b. There shall be annually appropriated as supplementary payments  
20 to municipalities in calendar years that begin in State fiscal years  
21 during which amounts in excess of \$782,000,000 are anticipated to be  
22 collected for Public Utility Gross Receipts and Franchise taxes  
23 (combined), the sum of \$97,000,000 for distribution in the same  
24 amounts to the same municipalities as received payments in calendar  
25 year 1995 pursuant to P.L.1995, c.148.

26 (cf: P.L.1991, c.184, s.26)

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28       3. This act shall take effect immediately and shall apply to  
29 payments to municipalities made on or after January 1, 1996.

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#### STATEMENT

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34       This bill freezes the apportionment of the statutorily required  
35 minimum amount of \$685 million in public utility and gross receipts  
36 and franchise taxes so that annually, beginning in calendar year 1996  
37 and thereafter, these taxes would be distributed to the same  
38 municipalities as received payments in calendar year 1995 and the  
39 payments would be in the same amounts as that each municipality  
40 received in calendar year 1995.

41       The bill also freezes the apportionment of the supplementary  
42 distribution of certain excess gross receipts and franchise taxes in the  
43 amount of \$97,000,000 paid to municipalities during calendar year  
44 1995 pursuant to P.L.1995, c.147. The supplementary distribution of  
45 the additional \$97,000,000 would be required during calendar years  
46 that begin in State fiscal years during which at least the additional

1 \$97,000,000 in revenue is anticipated to be collected from all public  
2 utilities. The distribution would be distributed in proportion to the  
3 amount each municipality received from the supplementary distribution  
4 made in calendar year 1995.

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9 Freezes payments of public utility gross receipts and franchise taxes to  
10 municipalities at 1995 levels.