

Approp.

P.L. 1996, CHAPTER 50, *approved June 28, 1996*
Assembly No. 35 (*First Reprint*)

1 AN ACT appropriating certain public utility taxes for a supplemental
2 distribution to municipalities during fiscal year 1996, amending
3 P.L.1995, 164.

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

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8 1. The following provision in section 1 of P.L.1995, c.164, the
9 Fiscal Year 1996 annual appropriations act, is amended to read as
10 follows:

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12 **STATE AID**
13 **82 DEPARTMENT OF TREASURY**
14 *70 Government Direction, Management and Control*
15 *75 State Subsidies and Financial Aid -- State Aid*
16

17 Notwithstanding the provisions of section 2 of P.L.1980, c.10 (C.54:30A-24.1), section 4 of
18 P.L.1980, c.11 (C.54:30A-61.1), section 27 of P.L.1991, c.184 (C.54:30A-24.4), and
19 section 28 of P.L.1991, c.184 (C.54:30A-61.4), the payments to municipalities from the
20 proceeds of the public utilities franchise and gross receipts taxes during fiscal year 1996
21 shall be \$685,000,000 and shall be distributed in the same amounts to the same
22 municipalities as received such payments in calendar year 1994 pursuant to the 1995 annual
23 appropriations law, P.L.1994, c.67; provided however, that amounts collected in excess of
24 amounts distributed shall be anticipated as revenue for general State purposes.

25 Notwithstanding any provision of law to the contrary, the payments to municipalities from the
26 proceeds of the public utilities franchise and gross receipts taxes shall be distributed on the
27 following schedule: July 15, 35% of the total amount due; August 1, 10% of the total
28 amount due; September 1, 30% of the total amount due; October 1, 15% of the total amount
29 due; November 1, 5% of the total amount due; and December 1, 5% of the total amount due.

30 **[Based upon the State's fiscal circumstances in May, 1996, amounts]** Amounts collected in
31 excess of \$960,000,000 from Public Utility Gross Receipts and Franchise Taxes (combined)
32 for fiscal year 1996 **[may be distributed to municipalities; provided that such amounts**
33 **collected in excess of \$960,000,000 shall not be anticipated as municipal revenue for the**
34 **purposes of the "Local Budget Law", P.L.1960, c.169 (C.40A:4-1 et seq.)]** are appropriated
35 as supplementary payments to municipalities. These amounts shall be distributed on or
36 before June 30, 1996, first in amounts equal to decreases, if any, resulting from corrections
37 to apportionment valuations made by the Director of the Division of Taxation pursuant to
38 R.S.54:30-2 and thereafter in proportion to the amount of the payment each municipality
39 received during Fiscal Year 1996 from the \$685,000,000 distribution¹; **provided however,**
40 **that amounts collected in excess of \$1,005,000,000 from Public Utility Gross Receipts and**
41 **Franchise Taxes (combined) for fiscal year 1996, not to exceed \$500,000, shall first be**

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AAP committee amendments adopted June 20, 1996.

1 distributed to Wall Township]¹. A supplementary payment shall be used solely and
2 exclusively by each municipality for the purpose of reducing the amount the municipality is
3 required to raise by local property tax levy for municipal purposes. If the amount of the
4 supplementary payment exceeds the amount required to be raised by local property tax levy
5 for municipal purposes, the balance of the supplementary payment shall be used to reduce
6 the amount the municipality is required to raise for county purposes, notwithstanding the
7 provisions of law to the contrary. Notwithstanding any provisions of the "Local Budget
8 Law," N.J.S.40A:4-1 et seq., each municipality may anticipate the receipt of the amount of
9 supplementary payment as shall be certified to it by the Director of the Division of Taxation
10 in the Department of the Treasury and shall file any amendment or correction in its local
11 budget as may be required to properly reflect that payment. The Director of the Division of
12 Taxation shall provide the Director of the Division of Local Government Services in the
13 Department of Community Affairs with a list of the certified supplementary payments for
14 all affected municipalities. The Director of the Division of Local Government Services in
15 the Department of Community Affairs shall certify that each municipality has complied with
16 the requirements set forth herein concerning the use of the supplementary payments.

17 (cf: P.L.1995, c.164, s.1)

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19 2. This act shall take effect immediately.

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24 Appropriates FY1996 public utilities gross receipts and franchise taxes
25 in excess of \$960,000,000.