

CHAPTER 50

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

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

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

STATE AID
82 DEPARTMENT OF THE TREASURY
70 Government Direction, Management and Control
75 State Subsidies and Financial Aid -- State Aid

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

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

Amounts collected in excess of \$960,000,000 from Public Utility Gross Receipts and Franchise Taxes (combined) for fiscal year 1996 are appropriated as supplementary payments to municipalities. These amounts shall be distributed on or before June 30, 1996, first in amounts equal to decreases, if any, resulting from corrections to apportionment valuations made by the Director of the Division of Taxation pursuant to R.S.54:30-2 and thereafter in proportion to the amount of the payment each municipality received during Fiscal Year 1996 from the \$685,000,000 distribution. A supplementary payment shall be used solely and exclusively by each municipality for the purpose of reducing the amount the municipality is required to raise by local property tax levy for municipal purposes. If the amount of the supplementary payment exceeds the amount required to be raised by local property tax levy for municipal purposes, the balance of the supplementary payment shall be used to reduce the amount the municipality is required to raise for county purposes, notwithstanding the provisions of law to the contrary. Notwithstanding any provisions of the "Local Budget Law," N.J.S.40A:4-1 et seq., each municipality may anticipate the receipt of the amount of supplementary payment as shall be certified to it by the Director of the Division of Taxation in the Department of the Treasury and shall file any amendment or correction in its local budget as may be required to properly reflect that payment. The Director of the Division of Taxation shall provide the Director of the Division of Local Government Services in the Department of Community Affairs with a list of the certified supplementary payments for all affected municipalities. The Director of the Division of Local Government Services in the Department of Community Affairs shall certify that each municipality has complied with the requirements set forth herein concerning the use of the supplementary payments.

2. This act shall take effect immediately.

Approved June 28, 1996.