

[First Reprint]
SENATE, No. 415

STATE OF NEW JERSEY

INTRODUCED JANUARY 18, 1996

By Senators LaROSSA and INVERSO

1 AN ACT providing for payments in lieu of taxes on certain property
2 acquired by State authorities and supplementing Title 54 of the
3 Revised Statutes.

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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. As used in this act:

9 "Effective municipal purposes tax rate" means the rate, per \$100 of
10 valuation, derived by dividing the amount to be raised for local
11 municipal purposes for a municipality by the net valuation on which
12 county taxes are apportioned to the municipality, as reported in
13 column 12c and column 11, respectively, of the Abstract of Ratables
14 and Exemptions compiled for the municipality by the Division of
15 Taxation, in the Department of the Treasury, from the Table of
16 Aggregates prepared pursuant to R.S.54:4-52;

17 "Pretax year" means the calendar year immediately preceding the
18 tax year;

19 "Qualified State property" means property subject to payments in
20 lieu of property taxes pursuant to the provisions of P.L.1977, c.272
21 (C.54:4-2.2a et seq.);

22 "Qualified authority property" means qualified State property
23 acquired in one or more transactions by a State authority, within a
24 municipality, on and after January 1, 1991 ¹but does not mean a toll
25 road or property used in association with a toll road¹;

26 "State authority" means a body, public and corporate, created by
27 law, which law provides that the public body so created has at least the
28 power to:

29 a. adopt and use a corporate seal;

30 b. sue and be sued;

31 c. acquire and hold real or personal property for its purposes; and

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 Senate SSG committee amendments adopted November 18, 1996.

1 d. provide for and secure the payment of its bonds or other
2 obligations, or impose charges for the use of its facilities, or any
3 combination thereof; and

4 "Tax year" means the calendar year for which property taxes are
5 due and payable pursuant to chapter 4 of Title 54 of the Revised
6 Statutes.

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8 2. Notwithstanding the provisions of any law, rule or regulation to
9 the contrary, qualified authority property shall be assessed and subject
10 to a payment in lieu of property taxes as provided for in this act.

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12 3. Commencing with the first tax year for which the provisions of
13 this act are applicable, the tax collector for the municipality that
14 constitutes the taxing district in which qualified authority property is
15 located shall calculate the amount of the payment in lieu of property
16 taxes for that property by multiplying the taxable value thereof, as
17 determined pursuant to section 3 of P.L.1977, c.272 (C.54:4-2.2c) or
18 R.S.54:4-27, as appropriate, for the pretax year times the effective
19 municipal purposes tax rate for the municipality for the pretax year.
20 The resulting amount shall be collected from the pertinent authority in
21 two annual installments at the same times and in the same manner as
22 provided in section 9 of P.L.1977, c.272 (C.54:4-2.2i). Delinquent
23 payments in lieu of property taxes shall be considered delinquent taxes
24 for the purposes of chapters 4 and 5 of Title 54 of the Revised
25 Statutes.

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27 4. Nothing in this act shall be construed as abrogating or requiring
28 the abrogation of any agreement between a State authority and a
29 municipality, entered into prior to the effective date of this act, for any
30 payments in lieu of property taxes on qualified authority property or
31 any other property owned by the authority which exceed the amounts
32 that would otherwise be due pursuant to the provisions of section 3 of
33 this act; nor shall this act be construed as prohibiting such agreements
34 on and after the effective date of this act.

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36 5. This act shall take effect 60 days following enactment, and shall
37 apply to each tax year beginning on and after that effective date.

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42 Provides for payments in lieu of taxes for State authority property
43 under certain circumstances.