

SENATE, No. 2340

STATE OF NEW JERSEY

INTRODUCED DECEMBER 15, 1997

By Senators ZANE and McGREEVEY

1 AN ACT concerning the rate of taxation under the sales and use tax in
2 certain counties and amending P.L.1993, c.373.

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

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7 1. Section 1 of P.L.1993, c.373 (C.54:32B- 8.45) is amended to
8 read as follows:

9 1. Receipts of retail sales, except retail sales of motor vehicles, of
10 alcoholic beverages as defined in the "Alcoholic Beverage Tax Law,"
11 R.S.54:41-1 et seq., and cigarettes as defined in the "Cigarette Tax
12 Act," P.L.1948, c.65 (C.54:40A-1 et seq.), made by a vendor from a
13 place of business regularly operated by the vendor for the purpose of
14 making retail sales at which items are regularly exhibited and offered
15 for retail sale and which is not utilized primarily for the purpose of
16 catalogue or mail order sales, a. in which county is situated an
17 entrance to an interstate bridge or tunnel connecting New Jersey with
18 a state that does not impose a retail sales and use tax or imposes a
19 retail sales and use tax at a rate at least five percentage points lower
20 than the rate in this State, and, b. in a county in which is not situated
21 an entrance to an interstate bridge or tunnel connecting New Jersey
22 with a state that does impose a retail sales and use tax, but is adjacent
23 to a county in which is situated an entrance to an interstate bridge or
24 tunnel connecting New Jersey with a state that does not impose a retail
25 sales and use tax or imposes a retail sales and use tax at a rate at least
26 five percentage points lower than the rate in this State are exempt to
27 the extent of 50% of the tax imposed under the "Sales and Use Tax
28 Act," P.L.1966, c.30 (C.54:32B-1 et seq.). The State Treasurer shall
29 annually designate the county or counties in which this exemption shall
30 apply.

31 (cf: P.L.1993, c.373)

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33 2. This act shall take effect immediately but section 1 shall remain
34 inoperative until the first day of the sixth month following enactment.

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.

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STATEMENT

This bill extends the provisions of P.L.1993, c.373 which provided a 50% exemption from the sales and use tax for certain transactions in counties that were connected by a bridge to a State in which sales tax is not charged. This bill will extend the exemption to a county which is adjacent to a county that was exempt under the 1993 law so long as the county is not connected by a bridge to a State that does impose the sales tax.

Provides a 50% exemption from the sales and use tax for certain transactions in certain counties.