SENATE RESOLUTION No. 33

STATE OF NEW JERSEY

INTRODUCED MARCH 21, 1996

By Senator ZANE

1	A SENATE RESOLUTION urging the Senate Legislative Oversight Committee
2	to examine State regulations concerning the application of the "Sales and
3	Use Tax Act" to the sale, rental or leasing of tangible personal property
4	used directly and exclusively on farms in the production for sale of tangible
5	personal property.
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7	WHEREAS, Agriculture constitutes a key industry for the State, contributing to
8	income, employment, and diversity; and
9	WHEREAS, Agriculture contributes greatly to New Jersey's quality of life,
0	accounting for at least 55 percent of the privately owned open space; and
1	WHEREAS, The State's regulatory and tax policies are not sufficiently sensitive
12	to the needs of agriculture; and
13	WHEREAS, New Jersey agriculture increasingly encounters deleterious effects
14	from taxes levied on its farming operations, and some of these taxes are
15	having a negative impact upon the viability and competitiveness of the
16	State's farmers; and
17	WHEREAS, State law, specifically C.54:32B-8.16, provides that receipts from
18	sales of tangible personal property for use and consumption directly and
19	exclusively in the production for sale of tangible personal property on farms
20	are exempt from the tax imposed under the "Sales and Use Tax Act;" and
21	WHEREAS, The regulations of the Division of Taxation at N.J.A.C.18:24-19.1
22	et seq., entitled "Sales of Tangible Personal Property Used Directly and
23	Exclusively in the Production for Sale of Tangible Personal Property on
24	Farms," adopted to clarify the application of the statute, do not reflect the
25	complexity of farm operations and therefore have not benefited farmers to
26	the fullest extent possible; now, therefore,
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28	Be It Resolved by the Senate of the State of New Jersey:
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30	1. The Senate Legislative Oversight Committee is urged to undertake a
31	thorough examination of State regulations concerning the application of the
32	"Sales and Use Tax Act" to the sale, rental or leasing of tangible personal
33	property used directly and exclusively in the production for sale of tangible
34	personal property on farms, and the enforcement of these regulations.
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1	2. A duly authenticated copy of this resolution, signed by the President of
2	the Senate and attested by the Secretary thereof, shall be transmitted to the
3	chairman and members of the Senate Legislative Oversight Committee
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6	STATEMENT
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8	This resolution would urge the Senate Legislative Oversight Committee to
9	undertake a thorough examination of State regulations concerning the
10	application of the "Sales and Use Tax Act" to the sale, rental or leasing of
11	tangible personal property used directly and elusively in the production for sale
12	of tangible personal property on farms, and the enforcement of these
13	regulations.
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18	Urges SLO Committee to examine exemption from sales tax of certain farm
19	property.