

[Second Reprint]

ASSEMBLY, No. 1495

STATE OF NEW JERSEY

221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Assemblyman ROBERT J. KARABINCHAK

District 18 (Middlesex)

Assemblywoman YVONNE LOPEZ

District 19 (Middlesex)

Assemblywoman LISA SWAIN

District 38 (Bergen)

Senator JOSEPH A. LAGANA

District 38 (Bergen)

Senator PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

Co-Sponsored by:

**Assemblywoman Speight, Assemblyman Wimberly, Assemblywoman Hall
and Senator Pou**

SYNOPSIS

Exempts receipts from sales of materials, supplies, and services for certain affordable housing projects from sales and use tax.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on February 8, 2024, with amendments.

(Sponsorship Updated As Of: 3/18/2024)

1 AN ACT exempting receipts from the sales of materials, supplies,
 2 and services for certain affordable housing projects from taxation
 3 under the sales and use tax, and amending P.L.1980, c.105.

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

7
 8 1. Section 34 of P.L.1980, c.105 (C.54:32B-8.22) is amended to
 9 read as follows:

10 34. Receipts from sales made to contractors or repairmen of
 11 materials, supplies or services for exclusive use in erecting structures
 12 or building on, or otherwise improving, altering or repairing real
 13 property of:

14 a. Organizations described in subsections (a) and (b) of section 9
 15 of the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-9) that are
 16 exempt from the tax imposed under the "Sales and Use Tax Act";

17 b. Qualified businesses within an enterprise zone as authorized in
 18 section 20 of the "New Jersey Urban Enterprise Zones Act," P.L.1983,
 19 c.303 (C.52:27H-79);**[and]**

20 c. Housing sponsors who have obtained financing for housing
 21 projects pursuant to the "New Jersey Housing and Mortgage Finance
 22 Agency Law of 1983," P.L.1983, c.530 (C.55:14K-1 et seq.), which
 23 projects have received other federal, State or local subsidies in order to
 24 achieve financial feasibility; and

25 d. Housing sponsors engaged in affordable housing projects where
 26 all of the units are ¹**[intended]** restricted¹ for occupants with
 27 moderate, low, or very low incomes as defined in P.L.1985, c.222
 28 (C.52:27D-301 et al.) are exempt from the tax imposed under the
 29 "Sales and Use Tax Act," provided any person seeking to qualify for
 30 the exemption shall do so pursuant to such rules and regulations and
 31 upon forms as shall be prescribed by the director.

32 For the purposes of this section, a qualified business within an
 33 enterprise zone shall include any urban renewal entity established
 34 pursuant to P.L.1961, c.40 (C.40:55C-40 et seq.), provided, however,
 35 that the entity is the sole owner of an operating company which is a
 36 qualified business pursuant to subsection c. of section 3 of P.L.1983,
 37 c.303 (C.52:27H-62), and that the entity and its operating company are
 38 situated within the same zone.

39 (cf: P.L.2006, c.34, s.2)

40
 41 2. This act shall take effect ²**[immediately]** on the first day of the
 42 second month next following the date of enactment² and shall apply to
 43 sales made on or after the ²**[date of enactment]** effective date².

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
 not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AHO committee amendments adopted January 29, 2024.

²Assembly AAP committee amendments adopted February 8, 2024.