

[First Reprint]

**SENATE, No. 1988**

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**STATE OF NEW JERSEY**  
**212th LEGISLATURE**

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INTRODUCED JUNE 26, 2006

**Sponsored by:**

**Senator RAYMOND J. LESNIAK**

**District 20 (Union)**

**SYNOPSIS**

Establishes one-time supplemental titling fee on new luxury and fuel inefficient passenger automobiles.

**CURRENT VERSION OF TEXT**

As reported by the Senate Budget and Appropriations Committee on July 8, 2006, with amendments.



1 AN ACT concerning the <sup>1</sup>**[registration of]** certificate of ownership  
2 for<sup>1</sup> certain motor vehicles and supplementing chapter 3 of Title  
3 39 of the Revised Statutes.

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

7  
8 1. As used in this act:

9 “Environmental Protection Administration average fuel  
10 efficiency rating” means the fuel efficiency rating for a particular  
11 motor vehicle calculated by adding together the Environmental  
12 Protection Administration’s city and highway miles per gallon  
13 rating for that motor vehicle and dividing the resulting sum by two.

14 “Lease price” means the capitalized cost as stated in the  
15 agreement between a lessor and a lessee.

16 “Sales price” means the gross selling price appearing on a  
17 contract of sale.

18  
19 2. a. In addition to the motor vehicle registration fees imposed  
20 pursuant to the provisions of chapter 3 of Title 39 of the Revised  
21 Statutes, the chief administrator shall <sup>1</sup>, as a condition for the  
22 issuance and filing of a certificate of ownership pursuant to  
23 R.S.39:10-11,<sup>1</sup> impose and collect an additional fee <sup>1</sup>**[upon the**  
24 **initial registration of]** for<sup>1</sup> any new passenger automobile having:

25 (1) A sales price or lease price of \$45,000 or more, prior to any  
26 credit or offset of that sales price or lease price resulting from any  
27 rebate or trade-in which lowers the price of the passenger  
28 automobile to less than \$45,000, or

29 (2) An Environmental Protection Administration average fuel  
30 efficiency rating of less than 19 miles per gallon.

31 b. The additional fee authorized under subsection a. of this  
32 section shall be determined by multiplying the sales price or lease  
33 price for the new passenger automobile, prior to any credit or offset  
34 for any rebate or trade-in, by <sup>1</sup>**[one]** 0.4<sup>1</sup> percent. The fee imposed  
35 under this section shall be separately stated on any bill, receipt,  
36 invoice or similar document provided to the purchaser and shall not  
37 be subject to the retail sales taxes imposed under the provisions of  
38 the “Sales and Use Tax Act,” P.L.1966, c.30 (C.54:32B-1 et seq.).

39 c. In the case of a <sup>1</sup>new<sup>1</sup> passenger automobile purchased or  
40 leased in New Jersey, the fee shall be collected by the person  
41 required to collect the retail sales tax imposed on that motor vehicle  
42 pursuant to subsection a. of section 3 of P.L.1966 (C.54:32B-3).  
43 That person shall be personally liable for collecting, reporting and  
44 remitting the fee in a manner prescribed by the chief administrator.

**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:

<sup>1</sup>Senate SBA committee amendments adopted July 8, 2006.

1 In the case of a 'new' passenger automobile purchased or leased  
2 in a jurisdiction other than New Jersey, the fee 'shall be collected  
3 by the chief administrator when the owner or lessee first registers  
4 the vehicle in New Jersey'] and any forms required by the chief  
5 administrator shall be remitted directly to the chief administrator. If  
6 the seller or lessor of the new passenger automobile in that other  
7 jurisdiction is required to collect the retail sales tax imposed on that  
8 motor vehicle pursuant to subsection a. of section 3 of P.L.1966,  
9 c.30 (C.54:32B-3) and is authorized to apply for the issuance and  
10 filing of a certificate of ownership pursuant to R.S.39:10-11, that  
11 seller or lessor may collect, report and remit the fee in a manner  
12 prescribed by the chief administrator'.  
13

14 d. The fee authorized under this section shall not be imposed on  
15 the sale or lease of any new passenger automobile having a sale  
16 price or lease price, as the case may be, over \$45,000 that:

17 (1) Has an Environmental Protection Administration average  
18 fuel efficiency rating of 40 or more miles per gallon; or

19 (2) Is certified as a zero emission vehicle by the Commissioner  
20 of Environmental Protection pursuant to the provisions of P.L.2003,  
21 c.266 (C.26:2C-8.15 et al.).

22 e. The chief administrator, in accordance with the provisions of  
23 the "Administrative Procedure Act," P.L.1968, 410 (C.52:14B-1 et  
24 seq.), shall promulgate rules and regulations to effectuate the  
25 purposes of this act.

26 3. This act shall take effect immediately and shall apply to new  
27 passenger automobiles 'first registered with the New Jersey Motor  
28 Vehicle Commission'] for which the issuance and filing of a  
29 certificate of ownership is required by the chief administrator'<sup>1</sup> on or  
30 after July 15, 2006.