

ASSEMBLY, No. 492

STATE OF NEW JERSEY

218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:

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SYNOPSIS

Imposes temporary surcharge on hotel occupancies in certain cities to fund public safety services.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT imposing a temporary surcharge on hotel occupancies in
2 certain cities.

3

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

6

7 1. a. A surcharge at the rate of \$2 per day for each occupied
8 room shall be imposed on hotels in each qualified municipality.

9 b. A surcharge imposed under subsection a. of this section shall
10 be collected and administered by the Director of the Division of
11 Taxation in the Department of the Treasury. In carrying out the
12 provisions of this subsection, the director shall have all the powers
13 granted in P.L.1966, c.30 (C.54:32B-1 et seq.). The director shall
14 determine and certify to the State Treasurer on a monthly basis the
15 amount of revenues collected by the director on account of the
16 surcharges imposed pursuant to subsection a. of this section in a
17 qualified municipality which are payable to such qualified
18 municipality. The State Treasurer, upon the certification of the
19 director and upon the warrant of the Director of the Division of
20 Budget and Accounting in the Department of the Treasury, shall
21 pay and distribute on a monthly basis to the qualified municipality
22 the amount so determined and certified.

23 c. A qualified municipality shall use all the proceeds it receives
24 in distributions of surcharge revenues from the director pursuant to
25 subsection b. of this section solely and exclusively to fund public
26 safety services for the qualified municipality.

27 d. As used in this section:

28 "Hotel" means a building or a portion of a building which is
29 regularly used and kept open for the lodging of guests and includes
30 a hotel, motel, inn, and rooming or boarding house, whether or not
31 meals are served.

32 "Occupied room" means a room or rooms of any kind in any part
33 of a hotel, other than a place of assembly, which is used or
34 possessed by a guest or guests overnight or for a portion of a day,
35 whether or not for consideration.

36 "Qualified municipality" means a municipality in which the
37 provisions of P.L.1947, c.71 (C.40:48-8.15 et seq.) are operative on
38 the date of enactment of P.L. , c. (pending before the
39 Legislature as this bill).

40

41 2. This act shall take effect on the first day of the second month
42 next following the date of enactment and shall expire two years
43 thereafter.

44

45 STATEMENT

46

47 This bill would impose a daily \$2 per room surcharge on hotel
48 occupancies in certain cities. The bill would require that all the

1 proceeds from these surcharges would have to be used to fund
2 public safety services for such city. The surcharges would sunset in
3 two years after the effective date.

4 The surcharges under the bill would be imposed in municipalities
5 that levy a retail sales tax pursuant to P.L.1947, c.71 (C.40:48-8.15
6 et seq.), which is only available to fourth class cities. Atlantic City
7 is currently the only such city that levies this tax and that would be
8 subject to the surcharge provisions of the bill. The surcharges
9 imposed by the bill would be in addition to the daily fees levied on
10 hotel occupancies pursuant to P.L.1991, c.376 (C.40:48-8.45 et
11 seq.) and section 6 of P.L.2003, c.116 (C.5:12-145.8). The State
12 would collect the surcharges and would remit the revenues
13 therefrom to the city.