

§1 - C.54:53-20

§2 - Approp.

§3 - T&E

§4 - Note

P.L. 2018, CHAPTER 46, *approved July 1, 2018*

Assembly, No. 3438 (*Second Reprint*)

1 AN ACT providing for a State tax amnesty period, supplementing
2 Title 54 of the Revised Statutes and making an appropriation.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. a. In addition to the powers of the Director of the Division
8 of Taxation prescribed under the State Uniform Tax Procedure Law,
9 R.S.54:48-1 et seq., and notwithstanding the provision of any other
10 law to the contrary, the director shall establish a period ¹[not to
11 exceed 45 days] ²[six months¹] not to exceed 90 days² in duration,
12 which period shall end no later than ¹[June 15] ²[December 31¹,
13 2018] January 15, 2019², during which a taxpayer who has failed to
14 pay any State tax on or before the day on which the tax is required
15 to be paid may pay to the director on or before the last day of the
16 period established by the director the amount of that tax and one-
17 half of the balance of interest that is due as of ²[May] November²
18 1, 2018, but without the remaining one-half of the balance of
19 interest that is due as of ²[May 1, 2018, without the] November 1,
20 2018 and without any late payment penalty, late filing penalty, cost
21 of collection, delinquency penalty or² recovery fee as set forth in
22 section 2 of P.L.1992, c.172 (C.54:49-12.3) that may otherwise be
23 due ²[, and without the imposition of any civil or criminal
24 penalties] . The taxpayer shall be required to pay any civil fraud or
25 criminal penalty² arising out of an obligation imposed under any
26 State tax law. This section shall apply only to State tax liabilities
27 for tax returns due on or after ¹[February 1, 2009] ²[January 1,
28 2012¹] February 1, 2009² and prior to ²[January 1, 2018]
29 September 1, 2017² and shall not extend to any taxpayer who at the
30 time of payment is under criminal investigation or charge for any
31 State tax matter, as certified by a county prosecutor or the Attorney
32 General to the director.

33 Notwithstanding the provisions of any other law to the contrary,
34 no taxpayer shall be entitled to a waiver of one-half of the balance
35 of interest due as of ²[May 1, 2018] November 1, 2018², penalty
36 and recovery fee pursuant to this subsection unless full payment of

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 ABU committee amendments adopted June 18, 2018.

²Assembly amendments adopted in accordance with Governor's recommendations June 30, 2018.

1 the tax and one-half of the balance of interest due as of ²[May 1,
2 2018] November 1, 2018² is made in accordance with the rules and
3 procedures established by the director.

4 b. There shall be imposed a 5% penalty, which shall not be
5 subject to waiver or abatement, in addition to all other penalties,
6 interest, or costs of collection otherwise authorized by law, upon
7 any State tax liabilities eligible to be satisfied during the period
8 established pursuant to subsection a. of this section that are not
9 satisfied during the amnesty period.

10 c. Notwithstanding the provisions of any other law to the
11 contrary, if a taxpayer elects to participate in the program
12 established pursuant to this section, as that election shall be
13 evidenced by full payment pursuant to this section of a State tax
14 liability to which this section applies pursuant to subsection a. of
15 this section, then that election shall constitute an express and
16 absolute relinquishment of all administrative and judicial rights of
17 appeal that have not run or otherwise expired as of the date payment
18 is made. The relinquishment of rights of appeal pursuant to this
19 subsection shall apply with respect to all rights of appeal
20 established pursuant to the State Uniform Tax Procedure Law,
21 R.S.54:48-1 et seq., and the specific statutory provisions of any
22 State tax. No tax payment made pursuant to this section shall be
23 eligible for refund or credit, whether claimed by administrative
24 protest or judicial appeal.

25 d. Notwithstanding the provisions of any other law to the
26 contrary, no amnesty payment shall be accepted without the express
27 approval of the director with respect to any State tax assessment
28 which is the subject of any administrative or judicial appeal as of
29 the effective date of this act.

30 e. ²No person shall be eligible for amnesty under this program
31 if the person has been notified by the Office of Criminal
32 Investigation in the Division of Taxation that he or she is under
33 criminal investigation for a State tax matter, unless the Office of
34 Criminal Investigation certifies to the director that the State tax
35 matter involving that person was resolved.

36 f. Notwithstanding any provision of law to the contrary, no
37 taxpayer shall be eligible for amnesty under this program unless
38 that taxpayer pays the full amount of the tax, reduced interests, and
39 applicable penalty, if any, in accordance with rules and procedures
40 established by the director. If the taxpayer has not previously filed
41 a tax return to report the tax due for which the taxpayer is seeking
42 amnesty, the taxpayer must file the required return or returns on or
43 before the last day of the amnesty period.

44 g.² Notwithstanding any provision of the "Administrative
45 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the
46 contrary, the director may adopt immediately upon filing with the
47 Office of Administrative Law such regulations as the director
48 deems necessary to implement the provisions of this section, which

1 regulations shall be effective for a period not to exceed 180 days
2 following the date of enactment of P.L. , c. (pending before the
3 Legislature as this bill) and may thereafter be amended, adopted, or
4 readopted by the director in accordance with the "Administrative
5 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).
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7 2. There is appropriated to the Division of Taxation in the
8 Department of the Treasury an amount not to exceed
9 ~~2[\$10,000,000]~~ \$25,000,000² from the proceeds collected pursuant
10 to subsection a. of section 1 of this act to carry out and administer
11 the tax amnesty program established pursuant to the ~~2[provision]~~
12 provisions² of that section.
13

14 23. Notwithstanding the provisions of any other law to the
15 contrary, a contract for advertising services for the State tax
16 amnesty program shall be procured in an expedited manner. The
17 Division of Taxation may, to the extent necessary, waive or modify
18 any other law or regulation that may interfere with the expeditious
19 procurement of these services.²
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21 ~~2[3.]~~ 4.² This act ~~2[shall take effect]~~² shall take effect
22 immediately. 2Section 3 shall expire after award of the advertising
23 services contract.²
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27
28 Requires Director of the Division of Taxation to establish 90-day
29 State tax amnesty period that ends no later than January 15, 2019.