

ASSEMBLY, No. 574

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

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District 39 (Bergen and Passaic)

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District 13 (Monmouth)

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SYNOPSIS

Requires that fuel stations specify taxes levied on motor fuel sales.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning the display of motor fuel taxes and amending
2 P.L.1938, c.163 and P.L.1952, c.258.

3

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

6

7 1. Section 201 of P.L.1938, c.163 (C.56:6-2) is amended to
8 read as follows:

9 201. (a) Every retail dealer shall publicly display and maintain,
10 in the manner regulated by the Director of the Division of Taxation,
11 a sign stating the price per gallon if sold by the gallon, and per
12 gallon and per liter if sold by the liter of the motor fuel sold by said
13 dealer. All taxes, State and Federal, imposed with respect to the
14 manufacture or sale of motor fuel shall be included in the price
15 shown on said sign, **【but】** and said sign shall contain a statement of
16 the specific amount of State and Federal taxes, respectively,
17 included in said price**【**, or, without specifying the amount thereof,
18 said sign shall state that taxes are included in said price**】**. A retail
19 dealer shall not sell at any other price than the price, including tax,
20 so posted. Any such price when posted shall remain posted and in
21 effect for a period of not less than twenty-four (24) hours.

22 (b) No retail dealer shall sell motor fuel at a price which is
23 below the net cost of such motor fuel to the retail dealer plus all
24 selling expenses.

25 (c) No other price signs of motor fuel so dispensed, or signs
26 relating to the price of such fuel shall be used or displayed on or
27 about the premises where motor fuel is sold at retail, other than the
28 signs provided by section 3 of P.L.1952, c.258 (C.56:6-2.3).

29 (d) No advertising or sign other than that provided for in section
30 3 of P.L.1952, c.258 (C.56:6-2.3), which directly or indirectly
31 contains a statement of, or an implied reference to the price of
32 motor fuel shall be displayed at any place where motor fuel is
33 dispensed at retail. Any advertising of the retail price of motor fuel
34 through any other medium which contains a reference to the per
35 gallon or per liter price thereof, shall include all taxes in the price
36 stated, and there shall be included in such advertising a statement
37 **【that such price includes taxes, or a statement】** of the specific
38 amount of State and Federal taxes, respectively, which are included
39 in such price. Such advertising shall be identified by the name of
40 the product, and the letters of the name shall be not less than one-
41 half the size of the figures used in the price.

42 (e) No rebates, allowances, concessions or benefits shall be
43 given, directly or indirectly, so as to permit any person to obtain
44 motor fuels from a retail dealer below the posted price or at a net
45 price lower than the posted price applicable at the time of the sale,

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.

1 except that credits earned through purchases on a credit card, debit
2 card, or rewards card may be utilized by a person to receive a
3 rebate, allowance, concession, or benefit in the purchase of motor
4 fuels, provided that: (1) the use of credits earned through purchases
5 on a credit card, debit card, or rewards card shall not change the
6 retail price displayed on any sign required pursuant to section 3 of
7 P.L.1952, c.258 (C.56:6-2.3); and (2) the retail dealer shall not be
8 responsible for any of the costs associated with the rebate,
9 allowance, concession, or benefit received by the motor fuel
10 purchaser except for any interchange fees and transaction fees
11 associated with the use of a credit card or debit card by a customer
12 for the purchase of motor fuels.

13 As used in this subsection, "rewards card" means a card or
14 certificate distributed by the issuer to a consumer pursuant to an
15 awards, loyalty, rewards, or promotional program, or used to benefit
16 frequent shoppers or to collect data on purchasing habits.

17 (f) It shall be unlawful for any retail dealer to use lotteries,
18 wheels of fortune, punchboards or other games of chance, in
19 connection with the sale of motor fuels.

20 (g) All above-ground equipment for storing or dispensing motor
21 fuel operated by a retail dealer shall bear, in a conspicuous place,
22 the name or trade-mark of the product stored therein or dispensed
23 therefrom, and no retail dealer shall permit delivery into
24 underground or above-ground containers, tanks or equipment of any
25 motor fuel other than the brand represented or designated by the
26 name or trade-mark appearing on such container or dispensing
27 equipment attached thereto. No retail dealer shall be a party to the
28 substitution of one grade of motor fuel for another.

29 (h) If the motor fuel stored in or dispensed from any above-
30 ground equipment by a retail dealer shall not have a brand name or
31 trade-mark, such container or dispensing equipment shall have
32 conspicuously displayed thereon the words "No Brand."

33 (cf: P.L.2015, c.44, s.1)

34

35 2. Section 3 of P.L.1952, c.258 (C.56:6-2.3) is amended to read
36 as follows:

37 3. No retail dealer shall sell or offer for sale any motor fuel
38 without having a. attached by a suitable bracket or slot arrangement
39 in a manner regulated by the Director of the Division of Taxation to
40 each pump or other dispensing equipment from which motor fuel is
41 sold or offered for sale a weather-proof case of such dimensions as
42 shall be prescribed by the director, or b. displayed by a sign or signs
43 located on the premises and visible from any adjacent roadway in a
44 manner and of such dimensions as shall be prescribed by the
45 director, or c. both, as the director may prescribe, stating the price
46 per gallon, or the price per gallon and per liter, at which motor fuel
47 may be purchased from such pumps or other dispensing equipment.
48 The price signs shall show the unit price per gallon, or if sold by the

1 liter the unit price per gallon and the unit price per liter. If sold by
2 the liter, the price per gallon shall be located on the top half of the
3 sign and the price per liter shall be located on the bottom half of the
4 sign on differing background colors, such colors to be designated by
5 the director. Such unit price as displayed on the bracket or slot
6 arrangement attached to each pump shall include all taxes imposed,
7 whether State or Federal. Beneath the unit price there shall be
8 **【either】** the statement:

9 "Includes (insert the tax per gallon) N.J.Tax-- (insert
10 the tax per gallon) Federal Tax**【,】**.”**【**"Includes State and Federal
11 Taxes," "Includes N.J. and U.S. Taxes," or "Includes all Taxes."**】**

12 The colors of all price signs shall be of such combination that the
13 sign may be easily read by any person purchasing motor fuel from
14 the pump or other dispensing equipment to which the sign is
15 attached. Any figure or fraction used in any price computing
16 mechanism constituting a part of a computing pump or any other
17 dispensing equipment shall not be considered a price sign under the
18 provisions of this section.

19 Price signs displayed in accordance with the provisions of
20 subsection b. of this section shall include the price per gallon, or the
21 price per gallon and per liter, for both cash and credit card
22 purchases of motor fuel.

23 (cf: P.L.2011, c.152, s.1)

24

25 3. This act shall take effect on the first day of the seventh
26 month next following the date of enactment.

27

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29 STATEMENT

30

31 This bill requires that gas stations display the State and federal
32 taxes levied on each unit of motor fuel for sale, on the gasoline
33 pump apparatus. Currently, stations are required to specify taxes
34 levied on each unit sold, but can alternatively state that the price
35 displayed "Includes State and Federal Taxes," "Includes N.J. and
36 U.S. Taxes," or "Includes all Taxes."

37 This bill amends current law to remove those alternatives, and
38 requires that the unit price be displayed on the pumping apparatus.
39 The bill changes the law to require the display sign at a gas station
40 to include the specific amount of each applicable tax, State and
41 federal, respectively.