

ASSEMBLY, No. 3524

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 25, 2020

Sponsored by:

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Assemblywoman ANGELA V. MCKNIGHT

District 31 (Hudson)

SYNOPSIS

Authorizes certain cities to impose tax on billboard revenues.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT authorizing certain municipalities to impose a tax on
2 billboard revenue and supplementing Title 40 of the Revised
3 Statutes.

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

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8 1. This act shall be known and may be cited as the “Local
9 Billboard Tax Act.”

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11 2. As used in this act:

12 "Advertising space" means the placement of advertising on an
13 outdoor sign;

14 “Billboard” means a sign required to be permitted pursuant to the
15 "Roadside Sign Control and Outdoor Advertising Act," P.L.1991,
16 c.413 (C.27:5-5 et seq.);

17 "End user" means the person purchasing the advertising space on
18 a billboard;

19 "Gross amounts collected by a retail seller for advertising space
20 on an outdoor advertising sign" include, but are not limited to,
21 amounts collected, whether received in money or otherwise, from
22 contracts to place advertising on billboards located in the city,
23 regardless of the location of the advertiser;

24 "Retail seller" means a permit holder or licensee who contracts
25 with the end user for outdoor advertising space on a billboard or a
26 party that is authorized on behalf of a permit holder or licensee to
27 sell advertising space on a billboard.

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29 3. The governing body of a city of the first class may make,
30 amend, repeal, and enforce an ordinance imposing in the city a tax,
31 not to exceed six percent, on the gross amounts collected by a retail
32 seller for advertising space on a billboard. The fee shall be imposed
33 on the end user.

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35 4. a. A tax imposed by ordinance pursuant to section 3 of this
36 act shall be collected on behalf of the city by the retail seller of a
37 billboard.

38 b. A retail seller of a billboard who is required to collect a tax
39 imposed by ordinance pursuant to section 3 of this act shall, on a
40 quarterly basis, remit all amounts collected to the chief financial
41 officer of the city together with a return for the preceding quarter
42 indicating the revenue and taxes as well as any other information
43 that the chief financial officer deems necessary to determine the
44 correct liability for the tax during the preceding quarter. The tax
45 and return shall be due on or before the dates on which municipal
46 real property taxes are due.

1 c. The retail seller of a billboard shall be personally liable for
2 the tax imposed, collected, or required to be collected pursuant to
3 this act.

4 d. The city shall enforce the payment of delinquent billboard
5 taxes in the same manner as provided for municipal real property
6 taxes.

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8 5. The tax authorized pursuant to this act shall be in addition to
9 any other tax imposed by law.

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11 6. This act shall take effect immediately.

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STATEMENT

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16 This bill would authorize a city of the first class to impose a tax
17 of up to six percent on amounts derived from the rental of
18 advertising space on a billboard. N.J.S.A. 40A:6-4 provides that
19 first class cities are cities having a population of more than 150,000,
20 according to the most recent Federal decennial census. Currently,
21 Newark City and Jersey City are the only New Jersey cities of the
22 first class.

23 The bill provides that the retail seller of advertising space on a
24 billboard would collect the tax on behalf of the city, and would
25 remit amounts collected to the chief financial officer of the city on a
26 quarterly basis. The bill would also require a retail seller of
27 advertising space on a billboard to provide the chief financial
28 officer with a return for the preceding quarter indicating the revenue
29 and taxes and any other information that the chief financial officer
30 deems necessary to determine the correct liability for the tax during
31 the preceding quarter. The tax and return shall be due on or before
32 the dates on which municipal real property taxes are due.

33 Under the bill, the retail seller of advertising space on a billboard
34 would be personally liable for the tax imposed, collected, or
35 required to be collected. The bill authorizes the city to enforce the
36 payment of delinquent billboard taxes in the same manner as
37 provided for municipal real property taxes.

38 The local billboard tax would be in addition to any other tax
39 imposed by law.