

ASSEMBLY, No. 3701

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MARCH 16, 2020

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Provides corporation business tax credit to taxpayers that develop qualified native pollinator habitat on undeveloped property.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT providing tax credits to taxpayers that develop qualified
2 native pollinator habitat on undeveloped property and
3 supplementing P.L.1945, c.162 (C.54:10A-1 et seq.).
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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. a. For privilege periods beginning on or after January 1
9 next following the effective date of P.L. , c. (C.)
10 (pending before the Legislature as this bill), a taxpayer that owns or
11 leases at least 25 contiguous acres of undeveloped property in the
12 State, and that develops qualified native pollinator habitat on that
13 property, and that meets the requirements of this section and the
14 rules of regulations adopted pursuant thereto, shall be allowed a
15 credit against the tax due pursuant to section 5 of P.L.1945, c.162
16 (C.54:10A-5) in an amount equal to 50 percent of the reasonable
17 cost expended for developing the qualified native pollinator habitat,
18 up to \$25,000.

19 b. (1) To qualify for the tax credit allowed pursuant to this
20 section, the taxpayer shall apply for a certification from the
21 secretary that certifies: (1) that the property developed is qualified
22 native pollinator habitat; and (2) the amount of the tax credit. The
23 application shall include the address and acreage of the
24 undeveloped property, a description of the qualified native
25 pollinator habitat, its precise locations on the property, the cost for
26 developing it, appropriate documentation of those costs, and any
27 other information as determined relevant by the department. Upon
28 certification, the secretary shall submit a copy thereof to the
29 taxpayer and the director. When filing a tax return that includes a
30 claim for a credit pursuant to this section, the taxpayer shall include
31 a copy of the certification issued by the secretary.

32 (2) The department may approve an application and issue a
33 certification to a taxpayer that has previously been allowed a tax
34 credit pursuant to this section, but in no case shall a taxpayer be
35 approved and certified for more than \$25,000 in total tax credits.

36 c. The order of priority of the application of the credit allowed
37 pursuant to this section and any other credits allowed against the tax
38 imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) for
39 a privilege period shall be as prescribed by the director. The
40 amount of the credit applied pursuant to this section against the tax
41 imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5)
42 shall not reduce a taxpayer's tax liability for a privilege period to an
43 amount less than the statutory minimum provided in subsection (e)
44 of section 5 of P.L.1945, c.162 (C.54:10A-5). Any credit shall be
45 valid in the privilege period in which the certification is approved.

46 d. The secretary, in consultation with the director, shall adopt,
47 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
48 (C.52:14B-1 et seq.), rules and regulations necessary to carry out

1 the provisions of this section, including, but not limited to, criteria
2 for what qualifies as undeveloped property.

3 e. On or before January 31 of each year, the secretary shall
4 submit a report to the Governor, the State Treasurer, and, pursuant
5 to section 2 of P.L.1991, c.164 (C.52:14-19.1), the Legislature, on
6 the effectiveness of the tax credit developing qualified native
7 pollinator habitat in the State.

8 f. As used in this section:

9 “Department” means the Department of Agriculture.

10 “Director” means the Director of the Division of Taxation.

11 “Qualified native pollinator habitat” means an area of land
12 developed as habitat beneficial for the feeding, nesting, and
13 reproduction of native pollinators, such as bees, as determined by
14 the department. “Qualified native pollinator habitat” shall utilize
15 plants that are native to New Jersey.

16 “Reasonable cost” means the cost of developing qualified native
17 pollinator habitat, including, but not necessarily limited to, the cost
18 of seeds, plants, and the instillation thereof, determined to be
19 reasonable by the department.

20 “Secretary” means the Secretary of Agriculture.

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22 2. This act shall take effect immediately.

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25 STATEMENT

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27 This bill would provide corporation business tax credits to
28 taxpayers that develop qualified pollinator habitat on their
29 undeveloped properties.

30 Specifically, for privilege periods beginning on or after January
31 1 next following the effective date of this bill, a taxpayer that owns
32 or leases at least 25 contiguous acres of undeveloped property in the
33 State, that develops qualified native pollinator habitat on that
34 property, and that meets the requirements of the bill, would be
35 allowed a credit against the corporation business tax in an amount
36 equal to 50 percent of the reasonable cost expended for developing
37 the qualified native pollinator habitat, up to \$25,000. For the
38 purposes of the bill, qualified native pollinator habitat means an
39 area of land developed as habitat beneficial for the feeding, nesting,
40 and reproduction of native pollinators, such as bees, as determined
41 by the department. Qualified native pollinator habitat must utilize
42 plants that are native to New Jersey.

43 To qualify for the credit, a taxpayer would have to apply for a
44 certification from the Secretary of Agriculture that certifies: (1)
45 that the property developed is qualified native pollinator habitat;
46 and (2) the amount of the tax credit. The application would include
47 the address and acreage of the undeveloped property, a description
48 of the qualified native pollinator habitat, its precise locations on the

A3701 DANCER

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1 property, the cost for developing it, appropriate documentation of
2 those costs, and any other information the department determines
3 relevant. When filing a tax return that includes a claim for a credit
4 pursuant to this bill, the taxpayer would have to include a copy of
5 the certification issued by the Secretary of Agriculture.

6 Pollinators, such as bees, are extremely important to the State.
7 Approximately one-third of all crops grown depend on pollinators
8 for reproduction. Recently, however, the survival of many
9 pollinators has been threatened by, among other things, habitat loss.
10 This bill would incentivize the planting of native pollinator habitat
11 on undeveloped property throughout the State.