

SENATE, No. 82

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator CHRISTOPHER "KIP" BATEMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Co-Sponsored by:

Senator Pou

SYNOPSIS

Provides corporation business tax credit to public utilities that develop qualified native pollinator habitat in their rights of way.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT providing tax credits to public utilities that develop
2 qualified native pollinator habitat in their rights of way and
3 supplementing P.L.1945, c.162 (C.54:10A-1 et seq.).
4

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 next
9 following the effective date of P.L. , c. (C.) (pending
10 before the Legislature as this bill), a taxpayer that is a public utility
11 that develops qualified native pollinator habitat in its rights of way,
12 and that meets the requirements of this section and the rules of
13 regulations adopted pursuant thereto, shall be allowed a credit
14 against the tax due pursuant to section 5 of P.L.1945, c.162
15 (C.54:10A-5) in an amount equal to 50 percent of the reasonable
16 cost expended for developing the qualified native pollinator habitat,
17 up to \$50,000.

18 b. (1) To qualify for the tax credit allowed pursuant to this
19 section, the taxpayer shall apply for a certification from the
20 secretary that certifies: (a) that the area developed is qualified
21 native pollinator habitat; (b) the amount of the tax credit; and (3)
22 that the taxpayer has complied with the requirements of subsection
23 d. of this section, if applicable. The application shall include a
24 description of the qualified native pollinator habitat, its precise
25 locations, the cost for developing it, appropriate documentation of
26 that cost, and any other information as determined relevant by the
27 department. Upon certification, the secretary shall submit a copy
28 thereof to the taxpayer and the director. When filing a tax return
29 that includes a claim for a credit pursuant to this section, the
30 taxpayer shall include a copy of the certification issued by the
31 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 \$50,000 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. For the purposes of this section, if the taxpayer does not own
47 the right of way on which it plans to develop qualified native
48 pollinator habitat, the taxpayer shall enter into an agreement with

1 the owner of the right of way permitting the taxpayer to develop
2 qualified native pollinator habitat in the right of way, and provide a
3 copy of that agreement to the secretary with the application for the
4 tax credit.

5 e. The secretary, in consultation with the director, shall adopt,
6 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
7 (C.52:14B-1 et seq.), rules and regulations necessary to carry out
8 the provisions of this section.

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

14 g. As used in this section:

15 "Department" means the Department of Agriculture.

16 "Public utility" means a public utility as defined in R.S.48:2-13
17 that distributes electricity or natural gas, or operates telephone
18 lines.

19 "Qualified native pollinator habitat" means an area of land
20 developed as habitat beneficial for the feeding, nesting, and
21 reproduction of native pollinators, such as bees, as determined by
22 the department. "Qualified native pollinator habitat" shall utilize
23 plants that are native to New Jersey.

24 "Reasonable cost" means the cost of developing qualified native
25 pollinator habitat, including, but not necessarily limited to, the cost
26 of seeds, plants, and the instillation thereof, determined to be
27 reasonable by the department.

28 "Right of way" means right of way as defined in section 1 of
29 P.L.1957, c.130 (C.48:3-17.2).

30 "Secretary" means the Secretary of Agriculture.

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32 2. This act shall take effect immediately.
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35 STATEMENT

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37 This bill would provide corporation business tax credits to public
38 utilities that develop qualified native pollinator habitat in their
39 rights of way.

40 Specifically, for privilege periods beginning on or after January
41 1 next following the effective date of this bill, a taxpayer that is a
42 public utility that develops qualified native pollinator habitat in its
43 rights of way, and that meets the requirements of the bill, would be
44 allowed a credit against the corporation business tax in an amount
45 equal to 50 percent of the reasonable cost expended for developing
46 the qualified native pollinator habitat, up to \$50,000. For the
47 purposes of this bill, qualified native pollinator habitat means an
48 area of land developed as habitat beneficial for the feeding, nesting,

1 and reproduction of native pollinators, such as bees, as determined
2 by the Department of Agriculture. Qualified native pollinator
3 habitat must utilize plants that are native to New Jersey.

4 To qualify for the credit, a public utility would have to apply for
5 a certification from the Secretary of Agriculture that certifies: (1)
6 that the area developed is qualified native pollinator habitat; (2) the
7 amount of the tax credit; and (3) that the public utility has provided
8 any applicable agreement between the public utility and the owner
9 of the right of way permitting development of the qualified native
10 pollinator habitat. The application would include a description of
11 the qualified native pollinator habitat, its precise locations, the cost
12 for developing it, appropriate documentation of that cost, and any
13 other information the Department of Agriculture determines
14 relevant. When filing a tax return that includes a claim for a credit
15 pursuant to this bill, the public utility would have to include a copy
16 of the certification issued by the Secretary of Agriculture.

17 Pollinators, such as bees, are extremely important to the State.
18 Approximately one-third of all crops grown depend on pollinators
19 for reproduction. Recently, however, the survival of many
20 pollinators has been threatened by, among other things, habitat loss.
21 This bill would incentivize the planting of native pollinator habitat
22 in public utility rights of way, which often provide large, open areas
23 that are perfect for such habitat.