

SENATE, No. 1429

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:

Senator JOSEPH PENNACCHIO

District 26 (Essex, Morris and Passaic)

SYNOPSIS

Provides gross income tax deductions for membership fees, dam project assessments, and potable water system project assessments paid to lake associations.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** providing gross income tax deductions for membership
2 fees, dam project assessments, and potable water system project
3 assessments paid to lake associations, and supplementing Title
4 54A of New Jersey Statutes.

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

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9 1. a. A taxpayer shall be allowed to deduct from the taxpayer's
10 gross income for the taxable year, an amount equal to the total paid
11 during the taxable year by a taxpayer to a lake association for
12 membership, dam project assessments, and potable water system
13 project assessments.

14 b. As used in this section:

15 “Dam project assessment” means an assessment that a lake
16 association imposes on members to acquire funding for the
17 construction of new dams or repair of existing dams.

18 “Lake association” means an organization of property owners
19 within a fixed or defined geographical area in New Jersey with
20 deeded or other rights to utilize, with similarly situated owners,
21 various lakefront properties, which lakefront properties are not open
22 to the general public, other than bona fide guests of a member of the
23 private lake or private community lake association.

24 “Potable water system project assessment” means an assessment
25 that a lake association imposes on members to acquire funding for
26 the repair or construction of systems to ensure safe drinking water.

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28 2. This act shall take effect immediately and shall apply to
29 taxable years beginning on or after January 1 next following
30 enactment.

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32 **STATEMENT**

33
34 This bill provides gross income tax deductions for individuals
35 who pay membership fees, dam project assessments, or potable
36 water system assessments to lake associations in New Jersey. This
37 bill is effective immediately and applies to all taxable years
38 beginning on or after January 1 next following enactment.