

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 287

STATE OF NEW JERSEY
220th LEGISLATURE

ADOPTED JUNE 13, 2022

Sponsored by:

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Senator TROY SINGLETON

District 7 (Burlington)

Co-Sponsored by:

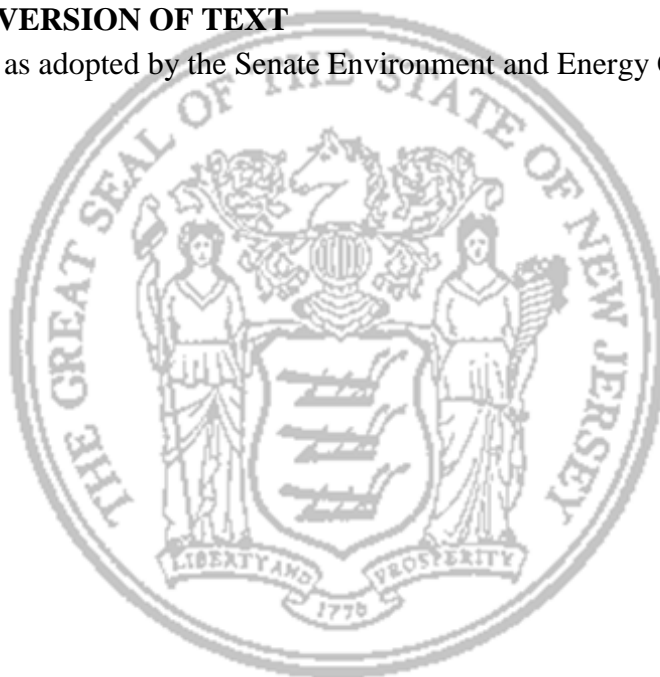
Senators Codey, Diegnan, Cunningham, Gopal, Stack and Zwicker

SYNOPSIS

Provides CBT and gross income tax credits for certain deliveries of low carbon concrete and for costs of conducting environmental product declaration analyses of low carbon concrete.

CURRENT VERSION OF TEXT

Substitute as adopted by the Senate Environment and Energy Committee.



(Sponsorship Updated As Of: 6/27/2022)

1 AN ACT concerning the purchase and use of low embodied carbon
2 concrete and supplementing Titles 13 and 54 of the Revised
3 Statutes and Title 54A of the New Jersey Statutes.
4

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

8 1. a. The Department of Environmental Protection, in
9 consultation with the Director of the Division of Taxation in the
10 Department of the Treasury, shall provide:

11 (1) for the purpose of calculating tax credits to be issued
12 pursuant to P.L. , c. (C.) (pending before the Legislature
13 as this bill), global warming potential baselines for concrete mixes
14 supplied pursuant to contracts with State agencies;

15 (2) thresholds for low embodied carbon concrete and concrete
16 that incorporates carbon capture, utilization, and storage technology
17 to qualify for a tax credit pursuant to P.L. , c. (C.)
18 (pending before the Legislature as this bill), which the department
19 may review and modify pursuant to advancements in low carbon
20 concrete technology or future State laws, regulations, or orders
21 pertaining to the reduction of greenhouse gas emissions;

22 (3) formulae for the tax credits issued pursuant to
23 P.L. , c. (C.) (pending before the Legislature as this bill)
24 for (1) low embodied carbon concrete and (2) concrete that
25 incorporates carbon capture, utilization, and storage technology.
26 The formulae shall provide that the amount of each tax credit is
27 proportional to the reduction of the global warming potential value
28 below the baseline;

29 (4) a uniform process for concrete producers to certify that
30 concrete is low embodied carbon concrete, or that it utilizes carbon
31 capture, utilization, and storage technology, and for determining the
32 global warming potential value of concrete; and

33 (5) any forms and guidance that the department determines are
34 necessary for the submissions required to receive the tax credits
35 allowed pursuant to P.L. , c. (C.) (pending before the
36 Legislature as this bill) or to otherwise implement the provisions of
37 P.L. , c. (C.) (pending before the Legislature as this bill).

38 b. No later than three years after the effective date of
39 P.L. , c. (C.) (pending before the Legislature as this bill),
40 the Commissioner of Environmental Protection, in consultation with
41 the State Treasurer, shall prepare and submit a report to the
42 Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
43 19.1), the Legislature, containing a cost-benefit analysis of the tax
44 credits established pursuant to P.L. , c. (C.) (pending
45 before the Legislature as this bill), in order to quantify the
46 budgetary impact of the program relative to its carbon reduction
47 impact. The report shall recommend whether the program should
48 be continued, modified, or repealed, and include any

1 recommendations for legislative or regulatory action to improve the
2 program.

3 c. As used in this section:

4 "Carbon capture, utilization, and storage technology" means
5 technologies or methods to remove carbon dioxide generated by the
6 concrete manufacturing process from the flue gas or the
7 atmosphere, and to recycle the carbon dioxide either through
8 utilization of the captured carbon dioxide in the concrete
9 manufacturing process, or through safe and permanent storage of
10 the captured carbon dioxide.

11 "Concrete" means structural and non-structural masonry, and
12 pre-cast and ready-mix concrete building products.

13 "Department" means the Department of Environmental
14 Protection.

15 "Director" means Director of the Division of Taxation in the
16 Department of the Treasury.

17 "Embodied carbon emissions" means carbon emissions generated
18 as a result of a material's production, including mining, refining,
19 manufacturing, and shipping.

20 "Global warming potential" means a numeric value that measures
21 the total contribution to global warming from the emission of
22 greenhouse gases, or the elimination of greenhouse gas sinks, that
23 results from the production or utilization of concrete.

24 "Low embodied carbon concrete" means concrete that has been
25 certified to embody lower carbon emissions, as measured by a
26 global warming potential metric, than the baseline embodied carbon
27 emissions of conventional concrete made with Portland cement.
28 Low embodied carbon emissions may be achieved through any
29 combination of: (1) higher energy efficiency at the level of the
30 concrete or cement plant; (2) low carbon fuel substitution at the
31 level of the concrete or cement plant; (3) local production of, and
32 use of locally sourced material in, the concrete, resulting in reduced
33 concrete delivery miles and reduced emissions from transportation;
34 (4) the reduction of clinker content in the cement component of
35 concrete, or the substitution of clinker content with lower carbon-
36 intensive alternative materials such as ground, granulated blast
37 furnace slag, fly ash, or recycled ground-glass pozzolan; (5) the
38 capture and storage of point source carbon dioxide emissions during
39 the cement or concrete production process; or (6) the utilization and
40 storage of carbon in concrete materials.

41 "Portland cement" means hydraulic cement produced by
42 pulverizing clinkers in combination with one or more of the forms
43 of calcium sulfate.

44

45 2. a. For privilege periods beginning on or after January 1 next
46 following the effective date of P.L. , c. (C.) (pending
47 before the Legislature as this bill), a taxpayer that is a producer of
48 low embodied carbon concrete or concrete that utilizes carbon

1 capture, utilization, and storage technology and that meets the
2 requirements of this section shall be allowed a credit against the tax
3 due pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) in an
4 amount as provided in subsection c. of this section.

5 b. In order to qualify for a tax credit pursuant to subsection a.
6 of this section, a concrete producer shall:

7 (1) deliver, pursuant to a contract with a State procuring agency
8 or with a private contracting firm that has contracted with the State,
9 low embodied carbon concrete or concrete that incorporates carbon
10 capture, utilization, and storage technology, which concrete is used
11 by a construction or improvement project that requires the purchase
12 of 50 cubic yards or more of concrete; and

13 (2) submit to the department for review and approval a certified
14 environmental product declaration that provides a global warming
15 potential value for the delivered concrete.

16 c. (1) For the delivery of low embodied carbon concrete, a
17 taxpayer may be eligible for a tax credit calculated using the
18 formula provided by the department pursuant to section 3 of
19 P.L. , c. (C.) (pending before the Legislature as this bill),
20 not to exceed five percent of the costs of the low embodied concrete
21 delivered.

22 (2) For the delivery of concrete that incorporates carbon capture,
23 utilization, and storage technology, a taxpayer may be eligible for a
24 tax credit calculated using the formula provided by the department
25 pursuant to section 3 of P.L. , c. (C.) (pending before the
26 Legislature as this bill), not to exceed three percent of the costs of
27 the concrete delivered that incorporates carbon capture, utilization,
28 and storage technology.

29 (3) A taxpayer delivering concrete that is both low embodied
30 carbon concrete and concrete that incorporates carbon capture,
31 utilization, and storage technology may qualify for both tax credits
32 authorized pursuant to paragraphs (1) and (2) of this subsection, not
33 to exceed eight percent of the costs of the concrete delivered that is
34 low embodied carbon concrete that incorporates carbon capture,
35 utilization, and storage technology.

36 d. In order to receive the tax credit allowed pursuant to this
37 section, a taxpayer shall submit to the using agency a certification,
38 in a form provided by the department, that includes: (a) a statement
39 of the amount and cost of the low embodied carbon concrete or
40 concrete that incorporates carbon capture, utilization and storage
41 technology that was delivered in accordance with paragraph (1) of
42 subsection b. of this section, with appropriate supporting
43 documentation; (b) the environmental product declaration approved
44 by the department pursuant to paragraph (2) of subsection b. of this
45 section; (c) the amount of the tax credit calculated pursuant to
46 subsection c. of this section; (d) a copy of the contract pursuant to
47 which concrete was delivered; and (e) any other information as

1 determined relevant by the department or requested by the using
2 agency.

3 e. Upon approval of the certification, the using agency shall
4 notify the director as to the eligibility of the taxpayer for a tax
5 credit in the amount approved by the department and using agency.
6 The director, prior to issuing a tax credit certificate pursuant to this
7 section, may require the submission by the taxpayer of any
8 information the director deems necessary.

9 f. When filing a tax return that includes a claim for a credit
10 pursuant to this section, the taxpayer who received the credit shall
11 include a copy of the tax credit certificate issued by the director.

12 g. The order of priority of the application of the credit allowed
13 pursuant to this section and any other credits allowed against the tax
14 imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) for
15 a privilege period shall be as prescribed by the director. The
16 amount of the credit applied pursuant to this section against the tax
17 imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5),
18 shall not reduce a taxpayer's tax liability for a privilege period to an
19 amount less than the statutory minimum provided in subsection (e)
20 of section 5 of P.L.1945, c.162 (C.54:10A-5). Any credit shall be
21 valid in the privilege period in which the tax credit certificate is
22 approved and any unused portion thereof may be carried forward
23 into the next seven privilege periods or until depleted, whichever is
24 earlier, after which the tax credit shall expire.

25 h. The total value of tax credits approved pursuant to
26 P.L. , c. (C.) (pending before the Legislature as this bill)
27 shall not in the aggregate exceed \$10 million in any year. The
28 director shall issue tax credit certificates pursuant to this section on
29 a first-come, first-serve basis, except that the director shall not issue
30 tax credit certificates to a single taxpayer pursuant to this section
31 and section 4 of P.L. , c. (C.) (pending before the
32 Legislature as this bill) in excess of \$1 million in any privilege
33 period. The director may issue a tax credit certificate to a taxpayer
34 that has previously been allowed a tax credit under this section.

35 i. A using agency shall, in its sole discretion, determine
36 whether to purchase or use low embodied concrete or concrete that
37 uses carbon capture, utilization, and storage technology in a
38 construction or improvement project. In preparing the
39 specifications for any contract for the purchase of 50 cubic yards or
40 more of concrete, or for any construction or improvement project
41 that requires the use of 50 cubic yards or more of concrete, the
42 procuring agency shall include in the invitation to bid, where
43 relevant, a statement that any response to the invitation that
44 proposes or calls for the use low embodied carbon concrete or
45 concrete that utilizes carbon capture, utilization, and storage
46 technology shall be eligible for a tax credit pursuant to subsection a.
47 of this section. If the agency makes a determination to purchase or
48 use low embodied carbon concrete or concrete that uses carbon

1 capture, utilization, and storage technology in the construction
2 project, the agency shall include in the invitation to bid a
3 predetermined bid allowance price for the concrete, which shall be
4 used by all bidders in the public bidding process.

5 j. Nothing in this section shall be construed to exempt any
6 entity from complying with any applicable law, rule, standard, or
7 specification, including, but not limited to, those regarding the use
8 of concrete in construction projects.

9 k. As used in this section:

10 "Carbon capture, utilization, and storage technology" means the
11 same as the term is defined in section 1 of P.L. , c. (C.)
12 (pending before the Legislature as this bill).

13 "Department" means the Department of Environmental
14 Protection.

15 "Director" means Director of the Division of Taxation in the
16 Department of the Treasury.

17 "Environmental product declaration" means a product-specific
18 Type III environmental product declaration that conforms to ISO
19 Standard 14025, assesses the numeric global warming potential of
20 the product, and allows for environmental impact comparisons
21 between concrete mixes fulfilling the same functions.

22 "Global warming potential" means the same as the term is
23 defined in section 1 of P.L. , c. (C.) (pending before the
24 Legislature as this bill).

25 "Low embodied carbon concrete" means the same as the term is
26 defined in section 1 of P.L. , c. (C.) (pending before the
27 Legislature as this bill).

28 "Procuring agency" means any State department, authority, or
29 commission having authority to contract for goods or services.

30 "Using agency" means any State department, authority, or
31 commission that makes a purchase, pursuant to a State contract, of
32 50 cubic yards or more of concrete or that enters into a contract for
33 a construction or improvement project that requires the use of 50
34 cubic yards or more of concrete.

35

36 3. a. (1) For privilege periods beginning on or after January 1
37 next following the effective date of P.L. , c. (C.) (pending
38 before the Legislature as this bill), a taxpayer that is a producer of
39 concrete, or a producer of a major component of concrete including
40 cement or aggregate, shall be allowed a credit against the tax
41 imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) to
42 compensate the taxpayer for costs incurred as a result of conducting
43 an environmental product declaration analysis to determine the
44 global warming potential of the concrete or concrete component
45 produced at a production facility that the taxpayer owns or operates.

46 (2) The amount of the credit authorized pursuant to this section
47 shall not exceed the lesser of: (a) the full cost incurred for an
48 environmental product declaration analysis of a single concrete,

1 cement, aggregate, or related production facility, or (b) \$3,000. A
2 taxpayer may claim the credit authorized pursuant to this section for
3 the cost of completing environmental product declaration analyses
4 at up to eight production facilities owned or operated by the same
5 taxpayer in a single privilege period.

6 b. In order to receive the tax credit allowed pursuant to this
7 section, the taxpayer shall submit to the department for approval a
8 certification, in the form required by the department, that includes:
9 (1) the costs incurred to complete the environmental product
10 declaration; (2) the amount of the tax credit calculated pursuant to
11 subsection (2) of subsection a. of this section; (3) a copy of the
12 environmental product declaration; and (4) any other information
13 determined to be relevant by the department.

14 c. Upon approval of the certification, the department shall
15 notify the director as to the eligibility of the taxpayer for a tax
16 credit in the amount approved by the department. The director,
17 prior to issuing a tax credit certificate pursuant to this section, may
18 require the submission by the taxpayer of any information the
19 director deems necessary.

20 d. When filing a return that includes a claim for a credit
21 pursuant to this section, the taxpayer who received the credit shall
22 include a copy of the tax credit certificate.

23 e. The order of priority of the application of the tax credit
24 allowed pursuant to this section, and any other credits allowed
25 against the tax imposed pursuant to section 5 of P.L.1945, c.162
26 (C.54:10A-5) for a privilege period, shall be as prescribed by the
27 director. The amount of the credit applied pursuant to this section
28 against the tax imposed pursuant to section 5 of P.L.1945, c.162
29 (C.54:10A-5) shall not reduce a taxpayer's tax liability to an amount
30 less than the statutory minimum provided in subsection (e) of
31 section 5 of P.L.1945, c.162 (C.54:10A-5). The amount of the tax
32 credit otherwise allowable under this section which cannot be
33 applied for the privilege period due to the limitations of this
34 subsection or under other provisions of P.L.1945, c.162 (C.54:10A-
35 1 et seq.) may be carried forward for seven privilege periods
36 following the privilege period for which the tax credit certificate
37 was issued, after which the tax credit shall expire.

38 f. The total value of tax credits approved by the department, in
39 consultation with the director, pursuant to P.L. , c. (C.)
40 (pending before the Legislature as this bill) shall not in the
41 aggregate exceed \$10 million in any year. The director shall issue
42 tax credits pursuant to this section on a first-come, first-serve basis.
43 The director may issue a tax credit certificate to a taxpayer that has
44 previously been allowed a tax credit under this section. The
45 director, prior to issuing a tax credit certificate pursuant to this
46 section, may require the submission by the taxpayer of any
47 information the director deems necessary.

48 g. As used in this section:

1 "Concrete" means structural and non-structural masonry, and
2 pre-cast and ready-mix concrete building products.

3 "Department" means the Department of Environmental
4 Protection.

5 "Director" means Director of the Division of Taxation in the
6 Department of the Treasury.

7 "Environmental product declaration" means a product-specific
8 Type III environmental product declaration that conforms to ISO
9 Standard 14025, assesses the numeric global warming potential of
10 the product, and allows for environmental impact comparisons
11 between concrete mixes fulfilling the same functions.

12 "Global warming potential" means the same as the term is
13 defined in section 1 of P.L. , c. (C.) (pending before the
14 Legislature as this bill).

15

16 4. a. For taxable years beginning on or after January 1 next
17 following the effective date of P.L. , c. (C.) (pending
18 before the Legislature as this bill), a taxpayer that is a producer of
19 low embodied carbon concrete or concrete that utilizes carbon
20 capture, utilization, and storage technology and that meets the
21 requirements of this section shall be allowed a credit against the tax
22 otherwise due for the taxable year under the "New Jersey Gross
23 Income Tax Act," N.J.S.54A:1-1 et seq., in an amount as provided
24 in subsection c. of this section.

25 b. In order to qualify for a tax credit pursuant to subsection a.
26 of this section, a concrete producer shall:

27 (1) deliver, pursuant to a contract with a State procuring agency
28 or with a private contracting firm that has contracted with the State,
29 low embodied carbon concrete or concrete that incorporates carbon
30 capture, utilization, and storage technology, which concrete is used
31 by a construction or improvement project that requires the purchase
32 of 50 cubic yards or more of concrete; and

33 (2) submit to the department for review and approval a certified
34 environmental product declaration that provides a global warming
35 potential value for the delivered concrete.

36 c. (1) For the delivery of low embodied carbon concrete, a
37 taxpayer may be eligible for a tax credit calculated using the
38 formula provided by the department pursuant to section 3 of
39 P.L. , c. (C.) (pending before the Legislature as this bill),
40 not to exceed five percent of the costs of the low embodied concrete
41 delivered.

42 (2) For the delivery of concrete that incorporates carbon capture,
43 utilization, and storage technology, a taxpayer may be eligible for a
44 tax credit calculated using the formula provided by the department
45 pursuant to section 3 of P.L. , c. (C.) (pending before the
46 Legislature as this bill), not to exceed three percent of the costs of
47 the concrete delivered that incorporates carbon capture, utilization,
48 and storage technology.

1 (3) A taxpayer delivering concrete that is both low embodied
2 carbon concrete and concrete that incorporates carbon capture,
3 utilization, and storage technology may qualify for both tax credits
4 authorized pursuant to paragraphs (1) and (2) of this subsection, not
5 to exceed eight percent of the costs of the concrete delivered that is
6 low embodied carbon concrete that incorporates carbon capture,
7 utilization, and storage technology.

8 d. In order to receive the tax credit allowed pursuant to this
9 section, a taxpayer shall submit to the using agency a certification,
10 in a form provided by the department, that includes: (a) a statement
11 of the amount and cost of the low embodied carbon concrete or
12 concrete that incorporates carbon capture, utilization and storage
13 technology that was delivered in accordance with paragraph (1) of
14 subsection b. of this section, with appropriate supporting
15 documentation; (b) the environmental product declaration approved
16 by the department pursuant to paragraph (2) of subsection b. of this
17 section; (c) the amount of the tax credit calculated pursuant to
18 subsection c. of this section; (d) a copy of the contract pursuant to
19 which concrete was delivered; and (e) any other information as
20 determined relevant by the department or requested by the using
21 agency.

22 e. Upon approval of the certification, the using agency shall
23 notify the director as to the eligibility of the taxpayer for a tax
24 credit in the amount approved by the department and using agency.
25 The director, prior to issuing a tax credit certificate pursuant to this
26 section, may require the submission by the taxpayer of any
27 information the director deems necessary.

28 f. When filing a tax return that includes a claim for a credit
29 pursuant to this section, the taxpayer who received the credit shall
30 include a copy of the tax credit certificate issued by the director.

31 g. The order of priority of the application of the credit allowed
32 pursuant to this section and any other credits allowed against the tax
33 imposed pursuant the "New Jersey Gross Income Tax Act,"
34 N.J.S.54A:1-1 et seq., for a taxable year shall be as prescribed by
35 the director. The amount of the credit applied under this section
36 against the New Jersey gross income tax imposed pursuant to
37 N.J.S.54A:1-1 et seq. for a taxable year, when taken together with
38 any other payments, credits, deductions, and adjustments allowed
39 by law, shall not reduce a taxpayer's tax liability to an amount less
40 than zero. Any credit shall be valid in the taxable year in which the
41 tax credit certificate is approved and any unused portion thereof
42 may be carried forward into the next seven taxable years or until
43 depleted, whichever is earlier, after which the tax credit shall
44 expire.

45 h. The total value of tax credits approved pursuant to
46 P.L. , c. (C.) (pending before the Legislature as this bill)
47 shall not in the aggregate exceed \$10 million in any year. The
48 director shall issue tax credit certificates pursuant to this section on

1 a first-come, first-serve basis, except that the director shall not issue
2 tax credit certificates to a single taxpayer pursuant to this section
3 and section 2 of P.L. , c. (C.) (pending before the
4 Legislature as this bill) in excess of \$1 million in any taxable year.
5 The director may issue a tax credit certificate to a taxpayer that has
6 previously been allowed a tax credit under this section.

7 i. A using agency shall, in its sole discretion, determine
8 whether to purchase or use low embodied concrete or concrete that
9 uses carbon capture, utilization, and storage technology in a
10 construction or improvement project. In preparing the
11 specifications for any contract for the purchase of 50 cubic yards or
12 more of concrete, or for any construction or improvement project
13 that requires the use of 50 cubic yards or more of concrete, the
14 procuring agency shall include in the invitation to bid, where
15 relevant, a statement that any response to the invitation that
16 proposes or calls for the use low embodied carbon concrete or
17 concrete that utilizes carbon capture, utilization, and storage
18 technology shall be eligible for a tax credit pursuant a.
19 of this section. If the agency makes a determination to purchase or
20 use low embodied carbon concrete or concrete that uses carbon
21 capture, utilization, and storage technology in the construction
22 project, the agency shall include in the invitation to bid a
23 predetermined bid allowance price for the concrete, which shall be
24 used by all bidders in the public bidding process.

25 j. Nothing in this section shall be construed to exempt any
26 entity from complying with any applicable law, rule, standard, or
27 specification, including, but not limited to, those regarding the use
28 of concrete in construction projects.

29 k. As used in this section:

30 "Carbon capture, utilization, and storage technology" means the
31 same as the term is defined in section 1 of P.L. , c. (C.)
32 (pending before the Legislature as this bill).

33 "Department" means the Department of Environmental
34 Protection.

35 "Director" means Director of the Division of Taxation in the
36 Department of the Treasury.

37 "Environmental product declaration" means a product-specific
38 Type III environmental product declaration that conforms to ISO
39 Standard 14025, assesses the numeric global warming potential of
40 the product, and allows for environmental impact comparisons
41 between concrete mixes fulfilling the same functions.

42 "Global warming potential" means the same as the term is
43 defined in section 1 of P.L. , c. (C.) (pending before the
44 Legislature as this bill).

45 "Low embodied carbon concrete" means the same as the term is
46 defined in section 1 of P.L. , c. (C.) (pending before the
47 Legislature as this bill).

1 "Procuring agency" means any State department, authority, or
2 commission having authority to contract for goods or services.

3 "Using agency" means any State department, authority, or
4 commission that makes a purchase, pursuant to a State contract, of
5 50 cubic yards or more of concrete or that enters into a contract for
6 a construction or improvement project that requires the use of 50
7 cubic yards or more of concrete.

8
9 5. a. (1) For taxable years beginning on or after January 1 next
10 following the effective date of P.L. , c. (C.) (pending
11 before the Legislature as this bill), a taxpayer that is a producer of
12 concrete, or a producer of a major component of concrete including
13 cement or aggregate, shall be allowed a credit against the tax
14 otherwise due for the taxable year under the "New Jersey Gross
15 Income Tax Act," N.J.S.54A:1-1 et seq., to compensate the taxpayer
16 for costs incurred as a result of conducting an environmental
17 product declaration analysis to determine the global warming
18 potential of concrete or concrete component produced at a
19 production facility that the taxpayer owns or operates.

20 (2) The amount of the credit authorized pursuant to this section
21 shall not exceed the lesser of: (a) the full cost incurred for an
22 environmental product declaration analysis of a single concrete,
23 cement, aggregate, or related production facility, or (b) \$3,000. A
24 taxpayer may claim the credit authorized pursuant to this section for
25 the cost of completing environmental product declaration analyses
26 at up to eight production facilities owned or operated by the same
27 taxpayer in a single taxable year.

28 b. In order to receive the tax credit allowed pursuant to this
29 section, the taxpayer shall submit to the department for approval a
30 certification, in the form required by the department, that includes:
31 (1) the costs incurred to complete the environmental product
32 declaration; (2) the amount of the tax credit calculated pursuant to
33 subsection (2) of subsection a. of this section; (3) a copy of the
34 environmental product declaration; and (4) any other information
35 determined to be relevant by the department.

36 c. Upon approval of the certification, the department shall
37 notify the director as to the eligibility of the taxpayer for a tax
38 credit in the amount approved by the department. The director,
39 prior to issuing a tax credit certificate pursuant to this section, may
40 require the submission by the taxpayer of any information the
41 director deems necessary.

42 d. When filing a return that includes a claim for a credit
43 pursuant to this section, the taxpayer who received the credit shall
44 include a copy of the tax credit certificate.

45 e. The order of priority of the application of the tax credit
46 allowed pursuant to this section, and any other credits allowed
47 against the tax imposed pursuant to the "New Jersey Gross Income
48 Tax Act," N.J.S.54A:1-1 et seq., for a taxable year, shall be as

1 prescribed by the director. The amount of the credit applied under
2 this section against the New Jersey gross income tax imposed
3 pursuant to N.J.S.54A:1-1 et seq. for a taxable year, when taken
4 together with any other payments, credits, deductions, and
5 adjustments allowed by law, shall not reduce a taxpayer's tax
6 liability to an amount less than zero. The amount of the tax credit
7 otherwise allowable under this section which cannot be applied for
8 the taxable year due to the limitations of this subsection or under
9 other provisions of N.J.S.54A:1-1 et seq. may be carried forward
10 for seven taxable years following the taxable year for which the tax
11 credit certificate was issued, after which the tax credit shall expire.

12 f. The total value of tax credits approved by the department, in
13 consultation with the director, pursuant to P.L. , c. (C.)
14 (pending before the Legislature as this bill) shall not in the
15 aggregate exceed \$10 million in any year. The director shall issue
16 tax credits pursuant to this section on a first-come, first-serve basis.
17 The director may issue a tax credit certificate to a taxpayer that has
18 previously been allowed a tax credit under this section. The
19 director, prior to issuing a tax credit certificate pursuant to this
20 section, may require the submission by the taxpayer of any
21 information the director deems necessary.

22 g. As used in this section:

23 "Concrete" means structural and non-structural masonry, and
24 pre-cast and ready-mix concrete building products.

25 "Department" means the Department of Environmental
26 Protection.

27 "Director" means Director of the Division of Taxation in the
28 Department of the Treasury.

29 "Environmental product declaration" means a product-specific
30 Type III environmental product declaration that conforms to ISO
31 Standard 14025, assesses the numeric global warming potential of
32 the product, and allows for environmental impact comparisons
33 between concrete mixes fulfilling the same functions.

34 "Global warming potential" means the same as the term is
35 defined in section 1 of P.L. , c. (C.) (pending before the
36 Legislature as this bill).

37

38 6. The Director of the Division of Taxation in the Department
39 of the Treasury and the Department of Environmental Protection, in
40 consultation with each other, may adopt, pursuant to the
41 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
42 1 et seq.), such rules and regulations as may be necessary to
43 implement the provisions of P.L. , c. (C.) (pending before
44 the Legislature as this bill).

45

46 7. This act shall take effect six months after the date of
47 enactment, and shall apply to privilege periods beginning on or
48 after the January 1 next following the effective date of the bill.