

[First Reprint]

## ASSEMBLY, No. 1495

# STATE OF NEW JERSEY

## 221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

**Sponsored by:**

**Assemblyman ROBERT J. KARABINCHAK**

**District 18 (Middlesex)**

**Assemblywoman YVONNE LOPEZ**

**District 19 (Middlesex)**

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**District 38 (Bergen)**

**SYNOPSIS**

Exempts receipts from sales of materials, supplies, and services for certain affordable housing projects from sales and use tax.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Housing Committee on January 29, 2024 with amendments.



1 AN ACT exempting receipts from the sales of materials, supplies,  
2 and services for certain affordable housing projects from taxation  
3 under the sales and use tax, and amending P.L.1980, c.105.  
4

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

8 1. Section 34 of P.L.1980, c.105 (C.54:32B-8.22) is amended to  
9 read as follows:

10 34. Receipts from sales made to contractors or repairmen of  
11 materials, supplies or services for exclusive use in erecting structures  
12 or building on, or otherwise improving, altering or repairing real  
13 property of:

14 a. Organizations described in subsections (a) and (b) of section 9  
15 of the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-9) that are  
16 exempt from the tax imposed under the "Sales and Use Tax Act";

17 b. Qualified businesses within an enterprise zone as authorized in  
18 section 20 of the "New Jersey Urban Enterprise Zones Act," P.L.1983,  
19 c.303 (C.52:27H-79);**[and]**

20 c. Housing sponsors who have obtained financing for housing  
21 projects pursuant to the "New Jersey Housing and Mortgage Finance  
22 Agency Law of 1983," P.L.1983, c.530 (C.55:14K-1 et seq.), which  
23 projects have received other federal, State or local subsidies in order to  
24 achieve financial feasibility; and

25 d. Housing sponsors engaged in affordable housing projects where  
26 all of the units are <sup>1</sup>**[intended]** restricted<sup>1</sup> for occupants with  
27 moderate, low, or very low incomes as defined in P.L.1985, c.222  
28 (C.52:27D-301 et al.) are exempt from the tax imposed under the  
29 "Sales and Use Tax Act," provided any person seeking to qualify for  
30 the exemption shall do so pursuant to such rules and regulations and  
31 upon forms as shall be prescribed by the director.

32 For the purposes of this section, a qualified business within an  
33 enterprise zone shall include any urban renewal entity established  
34 pursuant to P.L.1961, c.40 (C.40:55C-40 et seq.), provided, however,  
35 that the entity is the sole owner of an operating company which is a  
36 qualified business pursuant to subsection c. of section 3 of P.L.1983,  
37 c.303 (C.52:27H-62), and that the entity and its operating company are  
38 situated within the same zone.

39 (cf: P.L.2006, c.34, s.2)  
40

41 2. This act shall take effect immediately and shall apply to sales  
42 made on or after the date of enactment.

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Assembly AHO committee amendments adopted January 29, 2024.