

[Second Reprint]

ASSEMBLY, No. 1495

STATE OF NEW JERSEY
221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

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District 18 (Middlesex)

Assemblywoman YVONNE LOPEZ

District 19 (Middlesex)

Assemblywoman LISA SWAIN

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District 38 (Bergen)

Senator PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

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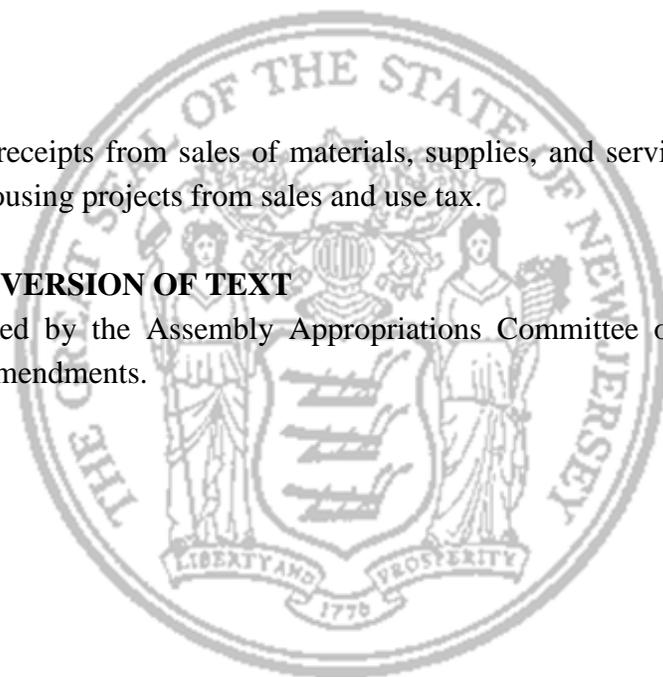
**Assemblywoman Speight, Assemblyman Wimberly, Assemblywoman Hall
and Senator Pou**

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 Appropriations Committee on February 8, 2024, with amendments.



(Sponsorship Updated As Of: 3/18/2024)

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 ¹**[intended]** restricted¹ 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 ²**[immediately]** on the first day of the
42 second month next following the date of enactment² and shall apply to
43 sales made on or after the ²**[date of enactment]** effective date².

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:

¹Assembly AHO committee amendments adopted January 29, 2024.

²Assembly AAP committee amendments adopted February 8, 2024.