

ASSEMBLY, No. 4708

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED JUNE 26, 2024

Sponsored by:

Assemblyman LOUIS D. GREENWALD

District 6 (Burlington and Camden)

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex and Hudson)

Assemblyman BENJIE E. WIMBERLY

District 35 (Bergen and Passaic)

SYNOPSIS

Eliminates statutory suspension required on collection of hotel and motel occupancy fee if amounts set for annual appropriations of fee revenues for cultural projects are not met.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT eliminating the statutory suspension required on the
2 collection of hotel and motel occupancy fees under certain
3 circumstances and amending P.L.2003, c.114.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. Section 2 of P.L.2003, c.114 (C.54:32D-2) is amended to read
9 as follows:

10 2. a. The Director of the Division of Taxation shall collect and
11 administer the fee imposed pursuant to section 1 of P.L.2003, c.114
12 (C.54:32D-1). The fees collected shall be deposited to the General
13 Fund, and shall be allocated as follows:

14 (1) of the fees collected for occupancies during State Fiscal
15 Year 2004: \$16,000,000 shall be allocated for appropriation to the
16 New Jersey State Council on the Arts for cultural projects;
17 \$2,700,000 shall be allocated for appropriation to the New Jersey
18 Historical Commission for the purposes of subsection a. of section 3
19 of P.L.1999, c.131 (C.18A:73-22.3); \$9,000,000 shall be allocated
20 for appropriation to the Division of Travel and Tourism in the
21 Department of State for tourism advertising and promotion; and
22 \$500,000 shall be allocated for appropriation to the New Jersey
23 Cultural Trust; and

24 (2) of the fees collected for occupancies during State Fiscal
25 Year 2005 and thereafter: 22.68 percent shall be annually allocated
26 for appropriation to the New Jersey State Council on the Arts for
27 cultural projects, provided that of the fees collected for occupancies
28 during State Fiscal Year 2021 and thereafter the amount allocated
29 shall not be less than \$31,900,000; 3.84 percent shall be allocated
30 for appropriation to the New Jersey Historical Commission for the
31 purposes of subsection a. of section 3 of P.L.1999, c.131
32 (C.18A:73-22.3), provided that of the fees collected for occupancies
33 during State Fiscal Year 2021 and thereafter the amount allocated
34 shall not be less than \$5,500,000; 12.76 percent shall be allocated
35 for appropriation to the Division of Travel and Tourism in the
36 Department of State for tourism advertising and promotion,
37 provided that of the fees collected for occupancies during State
38 Fiscal Year 2021 and thereafter the amount allocated shall not be
39 less than \$17,600,000; and .72 percent shall be allocated for
40 appropriation to the New Jersey Cultural Trust, provided that the
41 amount allocated shall not be less than \$720,000.

42 b. (1) In carrying out the provisions of section 1 of P.L.2003,
43 c.114 (C.54:32D-1) and this section, the director shall have all of
44 the powers and authority granted in P.L.1966, c.30 (C.54:32B-1 et
45 seq.). The tax shall be filed and paid in a manner prescribed by the
46 Director of the Division of Taxation. The director shall promulgate
47 such rules and regulations as the director determines are necessary

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.

1 to effectuate the provisions of section 1 of P.L.2003, c.114
2 (C.54:32D-1) and this section.

3 (2) Each person required to collect the hotel and motel
4 occupancy fee shall be personally liable for the fee imposed,
5 collected, or required to be paid, collected, or remitted under
6 section 1 of P.L.2003, c.114 (C.54:32D-1). Any such person shall
7 have the same right in respect to collecting the fee from that
8 person's customer or in respect to non-payment of the fee by the
9 customer as if the fee were a part of the purchase price of the
10 occupancy or rent, as the case may be, and payable at the same
11 time; provided however, that the director shall be joined as a party
12 in any action or proceeding brought to collect the fee.

13 For purposes of this paragraph, "person" includes: an individual,
14 partnership, corporation, or an officer, director, stockholder, or
15 employee of a corporation, or a member or employee of a
16 partnership, who as such officer, director, stockholder, employee, or
17 member is under the duty to perform the act in respect of which the
18 violation occurs.

19 (3) Notwithstanding any other provision of law or
20 administrative action to the contrary, transient space marketplaces
21 shall be required to collect and pay on behalf of persons engaged in
22 the business of providing transient accommodations located in this
23 State the tax for transactions obtained through the transient space
24 marketplace. For not less than four years following the end of the
25 calendar year in which the transaction occurred, the transient space
26 marketplace shall maintain the following data for those transactions
27 consummated through the transient space marketplace:

28 (1) The name of the person who provided the transient
29 accommodation;

30 (2) The name of the customer who procured occupancy of the
31 transient accommodation;

32 (3) The address, including any unit designation, of the transient
33 accommodation;

34 (4) The dates and nightly rates for which the consumer procured
35 occupancy of the transient accommodation;

36 (5) The municipal transient accommodation registration number,
37 if applicable;

38 (6) A statement as to whether such booking services will be
39 provided in connection with (i) short-term rental of the entirety of
40 such unit, (ii) short-term rental of part of such unit, but not the
41 entirety of such unit, and/or (iii) short-term rental of the entirety of
42 such unit, or part thereof, in which a non-short-term occupant will
43 continue to occupy such unit for the duration of such short-term
44 rental;

45 (7) The individualized name or number of each such
46 advertisement or listing connected to such unit and the uniform
47 resource locator (URL) for each such listing or advertisement,
48 where applicable; and

1 (8) Such other information as the Division of Taxation may by
2 rule require.

3 The Division of Taxation may audit transient space marketplaces as
4 necessary to ensure data accuracy and enforce tax compliance.

5 c. The annual appropriations act for each State Fiscal Year,
6 commencing with fiscal year 2005, shall appropriate and distribute
7 during that fiscal year amounts not less than the amounts otherwise
8 specified for State Fiscal Year 2005 in paragraph (2) of subsection
9 a. of this section for the purposes specified in paragraph (2) of
10 subsection a. of this section.

11 d. **【If the provisions of subsection c. of this section are not met**
12 **on the effective date of an annual appropriations act for the State**
13 **fiscal year, or if an amendment or supplement to an annual**
14 **appropriations act for the State fiscal year should violate the**
15 **provisions of subsection c. of this section, the Director of the**
16 **Division of Budget and Accounting in the Department of the**
17 **Treasury shall, not later than five days after the enactment of the**
18 **annual appropriations act, or an amendment or supplement thereto,**
19 **that violates the provisions of subsection c. of this section, certify to**
20 **the Director of the Division of Taxation that the requirements of**
21 **subsection c. of this section have not been met.】** (Deleted by
22 amendment, P.L. , c.) (pending before the Legislature as this bill)

23 e. **【The Director of the Division of Taxation shall, no later than**
24 **five days after certification by the Director of the Division of**
25 **Budget and Accounting in the Department of the Treasury pursuant**
26 **to subsection d. of this section that the provisions of subsection c.**
27 **of this section have not been met or have been violated by an**
28 **amendment or supplement to the annual appropriations act, notify**
29 **each person required to collect tax of the certification and that the**
30 **fee imposed pursuant to section 1 of P.L.2003, c.114 (C.54:32D-1)**
31 **shall no longer be paid or collected.】** (Deleted by amendment,
32 P.L. , c.) (pending before the Legislature as this bill)
33 (cf: P.L.2019, c.333, s.1)

34

35 2. This act shall take effect immediately.

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STATEMENT

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39 This bill eliminates the statutory suspension provision imposed
40 on the collection of hotel and motel occupancy fees if amounts set
41 forth in that provision setting an annual minimum level of
42 appropriations of the fee revenues for cultural projects are not met.
43 The bill eliminates the so-called “poison pill” provision which
44 would require the Director of the Division of Taxation to no longer
45 impose the fee payment or collection of the hotel and motel
46 occupancy fee if an annual appropriations act does make the
47 statutory minimum for cultural project appropriations from the fee
48 revenue.