

SENATE, No. 4594

STATE OF NEW JERSEY
222nd LEGISLATURE

INTRODUCED SEPTEMBER 28, 2026

Sponsored by:
Senator NILSA I. CRUZ-PEREZ
District 5 (Camden and Gloucester)

SYNOPSIS

Allows corporation business tax credits as incentives for redevelopment of distressed shopping centers.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT establishing tax credits for redevelopment of certain retail
2 properties and supplementing P.L.1974, c.80 (C.34:1B-1 et seq.)
3 and P.L.1945, c.162 (C.54:10A-1 et seq.).
4

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

8 1. As used in P.L. , c. (C.) (pending before the
9 Legislature as this bill):

10 “Authority” means the New Jersey Economic Development
11 Authority established pursuant to section 4 of P.L.1974, c.80
12 (C.34:1B-4).

13 “Developer” means the legal or beneficial owner or owners of a
14 lot or of any land in this State, occupied by a distressed shopping
15 center.

16 “Distressed shopping center” means a privately owned and
17 operated commercial development, developed, owned, and managed
18 as a unit, consisting of a building or series of buildings on a
19 common site, having at least 35,000 square feet of rental space for
20 lease to at least three retail stores or service establishments, and an
21 adjacent parking area to which the public is invited. Provided
22 further, that the shopping center shall have met these requirements
23 for a period of at least 10 years prior to the year for which the
24 developer of the shopping center is first deemed eligible by the
25 authority, pursuant to section 2 of P.L. , c. (C.) (pending
26 before the Legislature as this bill), to receive the credit allowed
27 under section 3 of P.L. , c. (C.) (pending before the
28 Legislature as this bill) and shall have had for the year prior to the
29 year for which the first credit is allowed an average rate of vacancy
30 during that year of at least 35 percent of the total retail square
31 footage available for lease during that year.

32 “Retail investment” means expenses of at least \$5,000 incurred
33 to make improvements to an existing distressed shopping center,
34 provided that such improvements are necessary, as determined
35 according to standards established by the authority, to attract retail
36 tenants to lease vacant properties and that the lease of such vacant
37 properties are a benefit to the surrounding community.
38

39 2. a. The authority shall establish a corporation business tax
40 credit program to certify developers that make retail investments for
41 improvements to distressed shopping centers as eligible to receive a
42 credit against the tax imposed pursuant to section 5 of P.L.1945,
43 c.162 (C.54:10A-5).

44 b. The authority, in cooperation with the Division of Taxation
45 in the Department of the Treasury, shall review and approve
46 applications by developers.

47 c. Taxpayers seeking to obtain a credit allowed pursuant to
48 section 3 of P.L. , c. (C.) (pending before the Legislature
49 as this bill) shall submit an application in a form as required by the

1 authority. An application shall include information the authority
2 determines is necessary to approve the credit.

3
4 3. A taxpayer that is a developer and owner of a distressed
5 shopping center, as certified by the New Jersey Economic
6 Development Authority pursuant to section 2 of
7 P.L. , c. (C.) (pending before the Legislature as this bill),
8 located in this State shall be allowed a credit against the tax
9 imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) not
10 in excess of 50 percent of the amount of tax owed, up to \$15,000, in
11 the distressed shopping center during the privilege period for which
12 the credit is claimed, and such credit may be carried over, if
13 necessary, to the 10 privilege periods after the credit is first
14 allowed.

15
16 4. The authority may adopt such rules and regulations pursuant
17 to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
18 1 et seq.) as may be necessary to effectuate the purposes of
19 P.L. , c. (C.) (pending before the Legislature as this bill).

20
21 5. This act shall take effect on the first day of the fourth month
22 following enactment, but the authority may take such anticipatory
23 administrative action in advance thereof as shall be necessary for
24 the implementation of this act, and section 3 of this act shall apply
25 to privilege periods commencing after enactment.

26 27 28 STATEMENT

29
30 This bill directs the New Jersey Economic Development
31 Authority (authority) to establish a program to certify taxpayers that
32 make retail investments to redevelop partially or completely vacant
33 shopping centers in New Jersey as eligible to receive a corporation
34 business tax credit of up to \$15,000, but not exceeding the amount
35 of 50 percent of corporation business tax owed by the taxpayer.

36 The bill defines a retail investment as expenses of at least \$5,000
37 incurred to make improvements to existing distressed shopping
38 centers provided that such improvements are necessary, as
39 determined according to standards established by the authority, to
40 attract retail tenants to lease vacant properties and that the lease of
41 such vacant properties are a benefit to the community. The bill
42 defines distressed shopping centers as shopping centers of at least
43 35,000 square feet of retail rental space, with at least three retail
44 establishments that have been at their location for at least 10 years
45 and shall have had, for the year prior to the year for which the
46 shopping center's developer is first deemed eligible by the authority
47 to receive a credit, an average rate of vacancy during that year of at
48 least 35 percent of the total retail square footage available for lease
49 during that year.