

**SALES AND USE TAX REVIEW COMMISSION
RECOMMENDATION PURSUANT TO P.L. 1999, C. 416**

BILL NUMBER:

S-779

DATE OF INTRODUCTION:

January 24, 2002

SPONSOR:

Senator Charles, Jr.

DATE OF RECOMMENDATION:

July 30, 2002

IDENTICAL BILL:

COMMITTEE:

Senate Economic Growth, Agriculture and Tourism

DESCRIPTION:

This bill requires the designation of an urban enterprise zone in a municipality where a federal military installation was decommissioned by the Department of Defense.

ANALYSIS:

This bill provides that in addition to the urban enterprise zones designated pursuant to section 7 of P.L. 1983, c.303 (C.52:27H-66) and Section 3 of P.L.1995, c.382 (C.52:27H-66.1), the New Jersey Urban Enterprise Zone Authority shall designate any municipality in which a federal military installation has been decommissioned by the United States Department of Defense as an urban enterprise zone entitled to a 50% reduction in sales tax as imposed under the Sales and Use Tax Act.

This Bill is unnecessary since municipality referenced has all ready been designated as an urban enterprise zone. The only municipality in the State where a federal military installation was decommissioned by the Department of Defense, was Bayonne City. This municipality all ready qualifies as one of three new urban enterprise zones pursuant to P.L. 2001, c.247, s. 12 (52:27H-66.7) in which the Urban Enterprise Zone Authority was authorized to designate under P.L. 2001, c.347 (C.52:27H-66.2 et seq.).

RECOMMENDATION:

The Commission does not recommend enactment of this Bill.

COMMISSION MEMBERS FOR PROPOSAL: 0

COMMISSION MEMBERS AGAINST PROPOSAL: 7

COMMISSION MEMBERS ABSTAINING: 0

(cb)