

## CHAPTER 55

AN ACT concerning the municipal hotel occupancy tax and amending and supplementing P.L.2003, c.114.

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

1. Section 3 of P.L.2003, c.114 (C.40:48F-1) is amended to read as follows:

C.40:48F-1 Hotel, motel tax authorized, certain.

3. The governing body of a municipality, other than a city of the first class or a city of the second class in which the tax authorized under P.L.1981, c.77 (C.40:48E-1 et seq.) is imposed, a city of the fourth class in which the tax authorized under P.L.1947, c.71 (C.40:48-8.15 et seq.) is imposed, or a municipality in which the tax and assessment authorized under section 4 of P.L.1992, c.165 (C.40:54D-4) is imposed, may adopt an ordinance imposing a tax, at a uniform percentage rate not to exceed 1% on charges of rent for every occupancy on or after July 1, 2003 but before July 1, 2004, and not to exceed 3% on charges of rent for every occupancy on or after July 1, 2004, of a room or rooms in a hotel subject to taxation pursuant to subsection (d) of section 3 of P.L.1966, c.30 (C.54:32B-3). An ordinance so adopted may also require that unpaid taxes under this section shall be subject to interest at the rate of 5% per annum.

A tax imposed under this section shall be in addition to any other tax or fee imposed pursuant to statute or local ordinance or resolution by any governmental entity upon the occupancy of a hotel room.

A copy of an ordinance adopted pursuant to this section shall be transmitted upon adoption or amendment to the State Treasurer, together with a list of the names and addresses of all of the hotels and motels located in the municipality. An ordinance so adopted or any amendment thereto shall provide that the tax provisions of the ordinance or any amendment to the tax provisions shall take effect on the first day of the first full month occurring 30 days after the date of transmittal to the State Treasurer for ordinances adopted in calendar year 2003 and on the first day of the first full month occurring 90 days after the date of transmittal to the State Treasurer for ordinances adopted in calendar year 2004 and thereafter.

A municipality that has adopted an ordinance pursuant to this section shall annually provide to the State Treasurer, not later than January 1 of each year, a list of the names and addresses of all of the hotels and motels located in the municipality. A municipality shall also provide to the State Treasurer the name and address of any hotel or motel that commences operation after January 1 of any year.

2. Section 7 of P.L.2003, c.114 (C.40:48F-5) is amended to read as follows:

C.40:48F-5 Collection, administration of tax.

7. a. The Director of the Division of Taxation shall collect and administer any tax imposed pursuant to the provisions of section 3 of P.L.2003, c.114 (C.40:48F-1). In carrying out the provisions of this section, the director shall have all the powers granted in P.L.1966, c.30 (C.54:32B-1 et seq.).

b. The director shall determine and certify to the State Treasurer on a quarterly or more frequent basis, as prescribed by the State Treasurer, the amount of revenues collected in each municipality pursuant to section 3 of P.L.2003, c.114 (C.40:48F-1).

c. The State Treasurer, upon the certification of the director and upon the warrant of the State Comptroller, shall pay and distribute on a quarterly or more frequent basis, as

prescribed by the State Treasurer, to each municipality the amount of revenues determined and certified under subsection b. of this section. The State Treasurer shall include with each distribution of tax revenue a list of all of the hotels and motels in the municipality that submitted municipal occupancy tax revenue to the State as required in subsection a. of section 6 of P.L.2003, c.114 (C.40:48F-4) for the period comprising the hotel tax distribution.

d. A tax imposed pursuant to the provisions of section 3 of P.L.2003, c.114 (C.40:48F-1) shall be governed by the provisions of the "State Uniform Tax Procedure Law," R.S.54:48-1 et seq.

C.40:48F-6 Written notification of nonpayment of taxes; actions of municipality.

3. a. The State Treasurer shall annually provide to a municipality that has adopted an ordinance imposing the tax pursuant to section 3 of P.L.2003, c.114 (C.40:48F-1) written notification of nonpayment by a hotel or motel of taxes required to be paid under the ordinance. The written notification required by this section shall also authorize the municipality to act as the collection agent for the outstanding balance of taxes due and owing to it in place of the State Treasurer.

b. In the event that the tax authorized and imposed under section 3 of P.L.2003, c.114 (C.40:48F-1) is not paid as and when due by a hotel or motel, the unpaid balance, and any interest accruing thereon, shall be a lien on the parcel of real property comprising the hotel or motel in the same manner as all other unpaid municipal taxes, fees, or other charges. The lien shall be superior and paramount to the interest in such parcel of any owner, lessee, tenant, mortgagee, or other person, except the lien of municipal taxes and shall be on a parity with and deemed equal to the municipal lien on the parcel for unpaid property taxes due and owing in the same year.

A municipality shall file in the office of its tax collector a statement showing the amount and due date of the unpaid balance and identifying the lot and block number of the parcel of real property that comprises the delinquent hotel or motel. The lien shall be enforced as a municipal lien in the same manner as all other municipal liens are enforced.

C.40:48F-7 Rules, regulations.

4. The State Treasurer shall promulgate such rules and regulations necessary to effectuate the provisions of P.L.2010, c.55 (C.40:48F-6 et al.) not later than the first day of the fourth full month next following enactment thereof.

5. This act shall take effect immediately.

Approved August 18, 2010.