

CHAPTER 46

AN ACT providing for a State tax amnesty period, supplementing Title 54 of the Revised Statutes and making an appropriation.

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

C.54:53-20 State tax amnesty period.

1. a. In addition to the powers of the Director of the Division of Taxation prescribed under the State Uniform Tax Procedure Law, R.S.54:48-1 et seq., and notwithstanding the provision of any other law to the contrary, the director shall establish a period not to exceed 90 days in duration, which period shall end no later than January 15, 2019, during which a taxpayer who has failed to pay any State tax on or before the day on which the tax is required to be paid may pay to the director on or before the last day of the period established by the director the amount of that tax and one-half of the balance of interest that is due as of November 1, 2018, but without the remaining one-half of the balance of interest that is due as of November 1, 2018 and without any late payment penalty, late filing penalty, cost of collection, delinquency penalty or recovery fee as set forth in section 2 of P.L.1992, c.172 (C.54:49-12.3) that may otherwise be due. The taxpayer shall be required to pay any civil fraud or criminal penalty arising out of an obligation imposed under any State tax law. This section shall apply only to State tax liabilities for tax returns due on or after February 1, 2009 and prior to September 1, 2017 and shall not extend to any taxpayer who at the time of payment is under criminal investigation or charge for any State tax matter, as certified by a county prosecutor or the Attorney General to the director.

Notwithstanding the provisions of any other law to the contrary, no taxpayer shall be entitled to a waiver of one-half of the balance of interest due as of November 1, 2018, penalty and recovery fee pursuant to this subsection unless full payment of the tax and one-half of the balance of interest due as of November 1, 2018 is made in accordance with the rules and procedures established by the director.

b. There shall be imposed a 5% penalty, which shall not be subject to waiver or abatement, in addition to all other penalties, interest, or costs of collection otherwise authorized by law, upon any State tax liabilities eligible to be satisfied during the period established pursuant to subsection a. of this section that are not satisfied during the amnesty period.

c. Notwithstanding the provisions of any other law to the contrary, if a taxpayer elects to participate in the program established pursuant to this section, as that election shall be evidenced by full payment pursuant to this section of a State tax liability to which this section applies pursuant to subsection a. of this section, then that election shall constitute an express and absolute relinquishment of all administrative and judicial rights of appeal that have not run or otherwise expired as of the date payment is made. The relinquishment of rights of appeal pursuant to this subsection shall apply with respect to all rights of appeal established pursuant to the State Uniform Tax Procedure Law, R.S.54:48-1 et seq., and the specific statutory provisions of any State tax. No tax payment made pursuant to this section shall be eligible for refund or credit, whether claimed by administrative protest or judicial appeal.

d. Notwithstanding the provisions of any other law to the contrary, no amnesty payment shall be accepted without the express approval of the director with respect to any State tax assessment which is the subject of any administrative or judicial appeal as of the effective date of this act.

e. No person shall be eligible for amnesty under this program if the person has been notified by the Office of Criminal Investigation in the Division of Taxation that he or she is

under criminal investigation for a State tax matter, unless the Office of Criminal Investigation certifies to the director that the State tax matter involving that person was resolved.

f. Notwithstanding any provision of law to the contrary, no taxpayer shall be eligible for amnesty under this program unless that taxpayer pays the full amount of the tax, reduced interests, and applicable penalty, if any, in accordance with rules and procedures established by the director. If the taxpayer has not previously filed a tax return to report the tax due for which the taxpayer is seeking amnesty, the taxpayer must file the required return or returns on or before the last day of the amnesty period.

g. Notwithstanding any provision of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, the director may adopt immediately upon filing with the Office of Administrative Law such regulations as the director deems necessary to implement the provisions of this section, which regulations shall be effective for a period not to exceed 180 days following the date of enactment of P.L.2018, c.46 and may thereafter be amended, adopted, or readopted by the director in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

2. There is appropriated to the Division of Taxation in the Department of the Treasury an amount not to exceed \$25,000,000 from the proceeds collected pursuant to subsection a. of section 1 of this act to carry out and administer the tax amnesty program established pursuant to the provisions of that section.

3. Notwithstanding the provisions of any other law to the contrary, a contract for advertising services for the State tax amnesty program shall be procured in an expedited manner. The Division of Taxation may, to the extent necessary, waive or modify any other law or regulation that may interfere with the expeditious procurement of these services.

4. This act shall take effect immediately. Section 3 shall expire after award of the advertising services contract.

Approved July 1, 2018.