

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 3514

STATE OF NEW JERSEY

DATED: JUNE 26, 2024

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 3514.

This bill eliminates the sales and use tax exemptions provided under current law for the sales of zero emission vehicles, as well as the sales of certain products during the State's annual sales tax holiday.

Specifically, the bill phases out the sales and use tax exemption currently provided for sales of zero emission vehicles as follows: (1) a tax rate of 3.3125 percent would be imposed on the sale of zero emission vehicles from October 2024 through June 2025; and (2) beginning on July 1, 2025, the sales and use tax would be imposed at the statutory rate authorized in the "Sales and Use Tax Act," which is currently 6.625 percent.

The bill also repeals the annual sales tax holiday established by P.L.2022, c.21 for retail sale of computers, school computer supplies, school supplies, school instructional materials, and sport or recreational equipment. Under current law, the sales tax holiday is in effect during the ten-day period up to and including the first Monday in September.

This bill implements certain proposals concerning the sales and use tax that were included in the Governor's Fiscal Year 2025 budget recommendations.

FISCAL IMPACT:

Fiscal information for this bill is currently unavailable.