

11-3



Township Council
1 Municipal Plaza
Bloomfield, NJ 07003

Louise M. Palagano
Municipal Clerk

<http://www.bloomfieldtwpnj.com>

Meeting: 12/03/12 07:00 PM

2012 RESOLUTION RESOLUTION OF SUPPORT

SUPPORT OF A-3393, LEGISLATION TO PROTECT RESIDENTIAL PROPERTY TAXPAYERS FROM THE LOSS OF TELECOMMUNICATIONS TAX SUPPORT

WHEREAS, in 1997, at the request of incumbent utilities, the laws regarding State taxation of telecommunications corporations were amended in response to technological and market innovations, in order to increase competition; and

WHEREAS, the amendments sought to preserve revenues to local governments by providing that local exchange telephone companies subject to the New Jersey Franchise and Gross Receipts Tax on April 1, 1997 would continue to be subject, annually, to the Business Personal Property Tax ("BPPT"); and

WHEREAS, the statute defines local exchange companies as those telecommunications carriers "providing dial tone and access to 51% of a local telephone exchange"; and

WHEREAS, Verizon's self-serving interpretation of the statutory definition has led it to claim exemption from the BPPT in any municipality where the corporation unilaterally determines, in any given year, that it no longer supplies dial tone and access to at least 51% of the local telephone exchanges; and

WHEREAS, Hopewell Borough's challenge to that claim was upheld by the Mercer County Board of Taxation in 2009; and

WHEREAS, Verizon's appeal of that determination to the Tax Court resulted in a June, 2012 trial court decision accepting the corporation's self-serving interpretation of the law; and

APPROVED AS TO FORM AND PROCEDURE
ON BASIS OF FACTS SET FORTH

Di J. Acosta
Director of Law - Township Attorney

WHEREAS, as things now stand, over 100 municipalities know that they enter 2013 without BPPT revenues that will cost property taxpayers well in excess of \$8 million and, unless matters change, more municipalities will lose more millions in the future; and

WHEREAS, remedial legislation (A-3393) has been introduced by Assemblyman Ralph Caputo, which will clarify the perceived ambiguity of the statutory definition to further implement the original legislative intent to preserve revenues to local governments; and

WHEREAS, we anticipate the introduction of companion legislation by Senator Bob Smith, as soon as the Senate next convenes.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Council of The Township of Bloomfield commends Assemblyman Caputo and Senator Smith and strongly supports A-3393, which would clearly identify the telecommunications carriers subject to taxation on their business personal property and remove the budget uncertainty caused by Verizon's obfuscation; and

BE IT FURTHER RESOLVED, that we urge our State Senator and our representatives in the General Assembly to join as co-sponsors of A-3393 and its companion bill; and

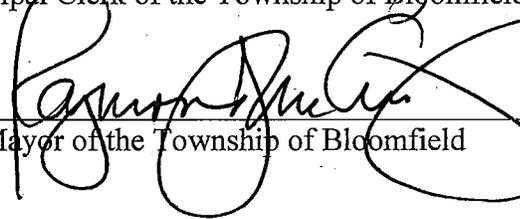
BE IT FINALLY RESOLVED, that copies of this Resolution be forwarded to the Honorable Governor Chris Christie, the Honorable Speaker of the General Assembly Sheila Oliver, the Honorable President of the State Senate Stephen M. Sweeney, the Honorable Assembly Republican Leader Jon Bramnick, the Honorable Senate Republican Leader Thomas H. Kean, Jr., and our own State Senator and Representatives in the General Assembly, and to the New Jersey State League of Municipalities.

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I hereby certify that the above resolution was duly adopted by the Mayor and Council of the Township of Bloomfield at a meeting of said Township Council held on December 03, 2012.



 Municipal Clerk of the Township of Bloomfield



 Mayor of the Township of Bloomfield

✓ Vote Record - Resolution 2238						
		Yes/Aye	No/Nay	Abstain	Absent	
<input type="checkbox"/> Adopted	Elias Chalet	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/> Adopted as Amended	Nicholas Joanow	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/> Defeated	Carlos Bernard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/> Withdrawn	Michael Venezia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/> Tabled	Peggy O'Boyle Dunigan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/> Approved	Bernard Hamilton	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/> Approved by Consensus	Raymond McCarthy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/> Not Discussed						
<input type="checkbox"/> Tabled with No Vote						
<input type="checkbox"/> Discussed						
<input type="checkbox"/> Veto by Mayor						