

**CHAPTER 47**

**NEIGHBORHOOD REVITALIZATION  
STATE TAX CREDIT**

**Authority**

N.J.S.A. 52:27D-498.

**Source and Effective Date**

R.2009 d.106, effective March 9, 2009.  
See: 40 N.J.R. 6505(a), 41 N.J.R. 1399(a).

**Chapter Expiration Date**

Chapter 47, Neighborhood Revitalization State Tax Credit, expires on March 9, 2014.

**Chapter Historical Note**

Chapter 47, Neighborhood Revitalization State Tax Credit, was adopted as R.2004 d.103, effective March 15, 2004. See: 35 N.J.R. 4208(a), 36 N.J.R. 1367(a).

Chapter 47, Neighborhood Revitalization State Tax Credit, was re-adopted as R.2009 d.106, effective March 9, 2009. See: Source and Effective Date.

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**SUBCHAPTER 1. GENERAL PROVISIONS**

**5:47-1.1 Statement of purpose**

(a) The purpose of these rules is to implement the provisions of the Neighborhood Revitalization State Tax Credit Act, P.L. 2001, c.415 (N.J.S.A. 52:27D-490 et seq.).

(b) The purpose of the Neighborhood Revitalization State Tax Credit Act is to foster the revitalization of New Jersey's low-and moderate-income neighborhoods through comprehensive strategies driven by residents and other public and private stakeholders within the neighborhood; specifically:

1. To encourage community-based neighborhood planning;
2. To provide flexible resources for community-based organizations to carry out strategies established in neighborhood plans;
3. To build the capacity of local and community-based organizations to carry out neighborhood revitalization activities;

4. To attract private investment into New Jersey's low- and moderate-income neighborhoods; and

5. To foster ongoing partnerships between private corporations and community-based development organizations.

### 5:47-1.2 Definitions

The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise:

"Assistance" means the contribution of moneys to aid in the provision of neighborhood preservation and revitalization services or community services.

"Business entity" means any business firm or individual which is authorized to conduct or operate a trade or business in the State and is subject to taxes on business related income.

"Certificate for neighborhood revitalization State tax credits" means the certificate in the form prescribed by the Treasurer and issued by the Commissioner to a business entity that specifies the dollar amount of neighborhood preservation and revitalization State tax credits that that business entity may take as an annual credit against certain State taxes pursuant to P.L. 2001, c.415 (N.J.S.A. 52:27D-490 et seq.).

"Commissioner" means the Commissioner of Community Affairs, and shall include any staff member authorized by the Commissioner to act on his or her behalf with respect to any matter contained within these rules.

"Department" means the Department of Community Affairs, and shall include any staff member, consultant or advisor authorized to act on behalf of the Department with respect to any matter contained within these rules.

"Eligible neighborhood" means a contiguous area located in one or more municipalities that, at the time of the application to the Department for approval of a neighborhood preservation and revitalization plan, are all either eligible to receive aid under the "Special Municipal Aid Act," P.L. 1987, c.75 (N.J.S.A. 52:27D-118.24 et seq.) or coextensive with a school district which qualified for designation as a Special Needs district pursuant to the "Comprehensive Educational Improvement and Financing Act of 1996," P.L. 1996, c.138 (N.J.S.A. 18A:7F-1 et seq.), and as further defined in N.J.A.C. 5:47-3.2.

"Housing and economic development activities" means those activities carried out in furtherance of a neighborhood preservation and revitalization plan in an eligible neighbor-

hood approved pursuant to P.L. 2001, c.415 (N.J.S.A. 52:27D-490 et seq.), to improve the housing and economic conditions of the neighborhood; and shall include, without limitation, measures to foster the rehabilitation and construction of housing affordable to low- and moderate-income households within the neighborhood, including planning, design, rehabilitation, construction, and management of low- and moderate-income housing, home buyer counseling, and related activities needed to effectuate the rehabilitation and construction of housing affordable to low- and moderate-income households; measures to increase business activity within the neighborhood, including the rehabilitation and construction of commercial facilities and the provision of assistance to small business entities; measures to increase the income and labor force participation of neighborhood residents, including provision of education, training, child care and transportation assistance to enable low-income neighborhood residents to obtain or retain employment; and measures to foster the creation of sustainable and economically integrated neighborhoods and communities, as further defined in N.J.A.C. 5:47-5.

"Low-income household" means a household whose gross household income is less than 50 percent of the median gross household income for the region in which the neighborhood is located for households of similar size as determined by the Department.

"Moderate-income household" means a household whose gross household income is greater than or equal to 50 percent but less than 80 percent of the median gross household income of the region in which the neighborhood is located for households of similar size as determined by the Department.

"Neighborhood preservation and revitalization activities" means housing and economic development activities and other neighborhood preservation and revitalization activities.

"Neighborhood Revitalization Non-lapsing Trust Fund" means the non-lapsing trust fund established in the State Treasury into which all assistance from business entities receiving certificates under the provisions of N.J.A.C. 5:47-7 shall be deposited.

"Neighborhood revitalization plan" means a plan for the preservation or revitalization of an eligible neighborhood, as further defined in N.J.A.C. 5:47-5.

"Nonprofit organization" means a private nonprofit corporation that has been determined by the Internal Revenue Service of the United States Department of the Treasury to be exempt from income taxation under 26 U.S.C. § 501(c)(3).