

SENATE, No. 522

STATE OF NEW JERSEY

220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

Sponsored by:

Senator NILSA I. CRUZ-PEREZ

District 5 (Camden and Gloucester)

Senator VIN GOPAL

District 11 (Monmouth)

Co-Sponsored by:

Senators Lagana, O'Scanlon, Connors, Stack, Sarlo, Madden, Diegnan, A.M.Bucco, Sacco, Oroho, Testa, Singer, Schepisi, Thompson, Pennacchio, Doherty, Holzapfel, Pou, Cunningham, Codey, Polistina, Zwicker and Gill

SYNOPSIS

Authorizes proportional property tax exemption for honorably discharged veterans having a service-connected disability and proclaims that the State shall reimburse municipalities for cost of exemptions.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 3/14/2022)

1 AN ACT providing a proportional property tax exemption to certain
2 disabled veterans, amending and supplementing P.L.1948, c.259.

3

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

6

7 1. Section 1 of P.L.1948, c.259, (C.54:4-3.30) is amended to
8 read as follows:

9 1. a. The dwelling house and the lot or curtilage whereon the
10 same is erected, of any citizen and resident of this State, now or
11 hereafter honorably discharged or released under honorable
12 circumstances, from active service in any branch of the Armed
13 Forces of the United States, who has been or shall be declared by
14 the United States Department of Veterans' Affairs or its successor to
15 have a service-connected disability [from paraplegia, sarcoidosis,
16 osteochondritis resulting in permanent loss of the use of both legs,
17 or permanent paralysis of both legs and lower parts of the body, or
18 from hemiplegia and has permanent paralysis of one leg and one
19 arm or either side of the body, resulting from injury to the spinal
20 cord, skeletal structure, or brain or from disease of the spinal cord
21 not resulting from any form of syphilis; or from total blindness; or
22 from amputation of both arms or both legs, or both hands or both
23 feet, or the combination of a hand and a foot; or from other service-
24 connected disability declared by the United States Veterans
25 Administration or its successor to be a total or 100% permanent
26 disability, and not so evaluated solely because of hospitalization or
27 surgery and recuperation, sustained through enemy action, or
28 accident, or resulting from disease contracted while in such active
29 service] of at least 30 percent, shall be exempt from taxation, on
30 proper claim made therefor, in proportion to their percentage of
31 service-connected disability, up to and including a total or 100
32 percent disability, and such exemption shall be in addition to any
33 other exemption of such person's real and personal property which
34 now is or hereafter shall be prescribed or allowed by the
35 Constitution or by law but no taxpayer shall be allowed more than
36 one exemption under this act. In the case of a resident of this State
37 with a service-connected disability that is less than total or 100
38 percent disability but who is deemed by the United States
39 Department of Veterans' Affairs or its successor to be unemployable
40 as a result of service-connected disability, the exemption shall be
41 100 percent. For any exemption granted pursuant to this subsection
42 that is less than 100 percent, the exemption shall not exceed
43 \$10,000.

44 b. (1) The surviving spouse of any [such] citizen and resident
45 of this State, who at the time of death was entitled to the 100

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 percent exemption provided under this act, shall be entitled, on
2 proper claim made therefor, to the same exemption as the deceased
3 had, during the surviving spouse's widowhood or widowerhood, as
4 the case may be, and while a resident of this State, for the time that
5 the surviving spouse is the legal owner thereof and actually
6 occupies the said dwelling house or any other dwelling house
7 thereafter acquired.

8 (2) The surviving spouse of any citizen and resident of this State
9 who was honorably discharged and, after the citizen and resident's
10 death, is declared to have suffered a total or 100 percent service-
11 connected disability as provided in subsection a. of this section,
12 shall be entitled, on proper claim made therefor, to the same
13 exemption the deceased would have become eligible for. The
14 exemption shall continue during the surviving spouse's widowhood
15 or widowerhood, as the case may be, and while a resident of this
16 State, for the time that the surviving spouse is the legal owner
17 thereof and actually occupies the dwelling house or any other
18 dwelling house thereafter acquired.

19 c. The surviving spouse of any citizen and resident of this
20 State, who died in active service in any branch of the Armed Forces
21 of the United States, shall be entitled, on proper claim made
22 therefor, to an exemption from taxation on the dwelling house and
23 lot or curtilage whereon the same is erected, during the surviving
24 spouse's widowhood or widowerhood, as the case may be, and
25 while a resident of this State, for the time that the surviving spouse
26 is the legal owner thereof and actually occupies the said dwelling or
27 any other dwelling house thereafter acquired.

28 d. The surviving spouse of any citizen and resident of this State
29 who died prior to January 10, 1972, that being the effective date of
30 P.L.1971, c.398, and whose circumstances were such that, had said
31 law become effective during the deceased's lifetime, the deceased
32 would have become eligible for the exemption granted under this
33 section as amended by said law, shall be entitled, on proper claim
34 made therefor, to the same exemption as the deceased would have
35 become eligible for upon the dwelling house and lot or curtilage
36 occupied by the deceased at the time of death, during the surviving
37 spouse's widowhood or widowerhood, as the case may be, and
38 while a resident of this State, for the time that the surviving spouse
39 is the legal owner thereof and actually occupies the said dwelling
40 house on the premises to be exempted.

41 e. **【Nothing in this act shall be intended to include paraplegia**
42 **or hemiplegia resulting from locomotor ataxia or other forms of**
43 **syphilis of the central nervous system, or from chronic alcoholism,**
44 **or to include other forms of disease resulting from the veteran's own**
45 **misconduct which may produce signs and symptoms similar to**
46 **those resulting from paraplegia, osteochondritis, or hemiplegia】**
47 (Deleted by amendment, P.L. , c.) pending before the

1 Legislature as this bill).

2 (cf: P.L.2019, c.413, s.1)

3

4 2. (New section) The State shall annually reimburse each
5 taxing district in an amount equal to 102 percent of the amount of
6 any property tax exemption granted by that taxing district pursuant
7 to section 1 of P.L.1948, c.259 (C.54:4-3.30) in that taxing district.

8

9 3. (New section) a. On or before June 1 of each year, each tax
10 assessor shall certify to the county tax board the number of property
11 tax exemptions provided for pursuant to section 1 of P.L.1948,
12 c.259 (C.54:4-3.30), and the total amount of all such exemptions.

13 b. On or before June 15 of each year, each county board of
14 taxation shall, on a form prescribed by the director, certify to the
15 Director of the Division of Taxation in the Department of the
16 Treasury from the tax lists certified with it for each taxing district
17 for the current tax year the following:

18 (1) Number of property tax exemptions allowed for the current
19 year pursuant to section 1 of P.L.1948, c.259 (C.54:4-3.30);

20 (2) Total dollar amount of property tax exemptions allowed for
21 the current year pursuant to section 1 of P.L.1948, c.259 (C.54:4-
22 3.30);

23 (3) Separately, the number and dollar amount of property tax
24 exemptions allowed or disallowed, as certified by the tax collector,
25 from the time of certification made the previous year and prior to
26 certification or the current year pursuant to section 1 of P.L.1948,
27 c.259 (C.54:4-3.30); and

28 (4) The totals for (1), (2), and (3) above by district and for the
29 county as a whole.

30

31 4. (New section) For each year, each county board of taxation
32 shall include in the table of aggregates prepared pursuant to
33 R.S.54:4-52 the full estimated amount of the property tax
34 exemptions as provided for in section 1 of P.L.1948, c.259 (C.54:4-
35 3.30), but that amount shall not be included in the total on which
36 the tax rate is to be computed.

37

38 5. (New section) The Director of the Division of Taxation in
39 the Department of the Treasury may inspect all records in the office
40 of the collector and the assessor with respect to claims and
41 allowances for the property tax exemption provided for in section 1
42 of P.L.1948, c.259 (C.54:4-3.30).

43

44 6. This act shall take effect January 1 next following
45 enactment.

STATEMENT

The bill grants a property tax exemption to honorably discharged veterans having a service-connected disability in proportion to their disability percentage rating. The exemption is only granted to those with a disability percentage rating of at least 30 percent, and the exemption is capped at \$10,000. Those with a 100 percent disability percentage rating would still be allowed a 100 percent property tax exemption without a cap, as is the case under current law.

In addition, the bill grants those honorably discharged veterans having less than a 100 percent service-connected disability, but who are unemployable, a 100 percent property tax exemption, which matches the current 100 percent property tax exemption for honorably discharged veterans having a 100 percent disability percentage rating.

As under current law, the bill allows the 100 percent property tax exemption to extend to the surviving spouse of a veteran. However, the newly allowed property tax exemption for a veteran with a less than 100 percent property tax exemption would not extend to the surviving spouse.

The bill also eliminates all references to medical conditions so that any service-connected disability, as determined by the United States Department of Veterans' Affairs, will make a veteran eligible for the property tax exemption.

Finally, the bill proclaims that the State shall annually reimburse taxing districts, including for administrative costs, for the property tax exemptions granted to disabled veterans and their surviving spouses. The bill includes reporting provisions so proper reimbursement can be made.