

ASSEMBLY, No. 1246

STATE OF NEW JERSEY 221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Assemblyman ALEX SAUICKIE

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Assemblyman ROBERT D. CLIFTON

District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Extends eligibility for property tax benefits to veterans, 100 percent service-disabled veterans, and senior citizens and persons with disabilities who pay payments in lieu of property taxes.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT extending eligibility for certain property tax benefits to
2 veterans, 100 percent service-disabled veterans, and senior
3 citizens and persons with disabilities who pay payments in lieu
4 of property taxes, and amending various parts of the statutory
5 law.

6

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

9

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

12 1. a. The dwelling house and the lot or curtilage whereon the
13 same is erected, of any citizen and resident of this State, now or
14 hereafter honorably discharged or released under honorable
15 circumstances, from active service in any branch of the Armed
16 Forces of the United States, who has been or shall be declared by
17 the United States Department of Veterans' Affairs or its successor to
18 have a service-connected disability from paraplegia, sarcoidosis,
19 osteochondritis resulting in permanent loss of the use of both legs,
20 or permanent paralysis of both legs and lower parts of the body, or
21 from hemiplegia and has permanent paralysis of one leg and one
22 arm or either side of the body, resulting from injury to the spinal
23 cord, skeletal structure, or brain or from disease of the spinal cord
24 not resulting from any form of syphilis; or from total blindness; or
25 from amputation of both arms or both legs, or both hands or both
26 feet, or the combination of a hand and a foot; or from other service-
27 connected disability declared by the United States Veterans
28 Administration or its successor to be a total or 100% permanent
29 disability, and not so evaluated solely because of hospitalization or
30 surgery and recuperation, sustained through enemy action, or
31 accident, or resulting from disease contracted while in such active
32 service, shall be exempt from taxation, or from the payment of
33 payments in lieu of property taxes required pursuant to a contract
34 between a municipality and an urban renewal entity pursuant to the
35 “Long Term Tax Exemption Law,” P.L.1991, c.431 (C.40A:20-1 et
36 al.), on proper claim made therefor, and such exemption shall be in
37 addition to any other exemption of such person's real and personal
38 property which now is or hereafter shall be prescribed or allowed by
39 the Constitution or by law but no taxpayer shall be allowed more
40 than one exemption under this act.

41 b. (1) The surviving spouse of any such citizen and resident of
42 this State, who at the time of death was entitled to the exemption
43 provided under this act, shall be entitled, on proper claim made
44 therefor, to the same exemption as the deceased had, during the
45 surviving spouse's widowhood or widowerhood, as the case may be,

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 and while a resident of this State, for the time that the surviving
2 spouse is the legal owner thereof and actually occupies the said
3 dwelling house or any other dwelling house thereafter acquired.

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

14 c. The surviving spouse of any citizen and resident of this
15 State, who died in active service in any branch of the Armed Forces
16 of the United States, shall be entitled, on proper claim made
17 therefor, to an exemption from taxation, or from the payment of
18 payments in lieu of property taxes required pursuant to a contract
19 between a municipality and an urban renewal entity pursuant to the
20 “Long Term Tax Exemption Law,” P.L.1991, c.431 (C.40A:20-1 et
21 al.), on the dwelling house and lot or curtilage whereon the same is
22 erected, during the surviving spouse's widowhood or widowerhood,
23 as the case may be, and while a resident of this State, for the time
24 that the surviving spouse is the legal owner thereof and actually
25 occupies the said dwelling or any other dwelling house thereafter
26 acquired.

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

40 e. Nothing in this act shall be intended to include paraplegia or
41 hemiplegia resulting from locomotor ataxia or other forms of
42 syphilis of the central nervous system, or from chronic alcoholism,
43 or to include other forms of disease resulting from the veteran's own
44 misconduct which may produce signs and symptoms similar to
45 those resulting from paraplegia, osteochondritis, or hemiplegia.

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

1 2. Section 2 of P.L.2021, c.175 (C.54:4-3.30a) is amended to
2 read as follows:

3 2. For the purposes of P.L.1948, c.259 (C.54:4-3.30 et seq.) a
4 tenant shareholder in a cooperative or mutual housing corporation
5 shall be entitled to an exemption from taxation under that act only
6 to the extent of his proportionate share of the taxes, or payments in
7 lieu of property taxes required pursuant to a contract between a
8 municipality and an urban renewal entity pursuant to the “Long
9 Term Tax Exemption Law,” P.L.1991, c.431 (C.40A:20-1 et al.),
10 assessed against the real property of the corporation or any other
11 entity holding title to that real property. The Director of the
12 Division of Taxation in the Department of the Treasury shall
13 promulgate regulations, in accordance with the "Administrative
14 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to: require
15 that the application for the exemption shall include the name and
16 address of the location of the property and the amount of real
17 property taxes attributed to the cooperative unit or mutual housing
18 residential unit; and ensure that the disabled veteran or surviving
19 spouse, as the case may be, is the sole beneficiary of the disabled
20 veterans' property tax exemption provided by P.L.1948, c.259
21 (C.54:4-3.30 et seq.).
22 (cf: P.L.2021, c.175, s.2)

23
24 3. Section 2 of P.L.1948, c.259 (C.54:4-3.31) is amended to read
25 as follows:

26 2. **【All】** Under P.L.1948, c.259 (C.54:4-3.30 et seq.), all
27 exemptions from taxation 【under P.L.1948, c.259 (C.54:4-3.30 et
28 seq.)】, or exemptions from the payment of a payment in lieu of
29 property taxes required pursuant to a contract between a
30 municipality and an urban renewal entity pursuant to the “Long
31 Term Tax Exemption Law,” P.L.1991, c.431 (C.40A:20-1 et al.)
32 shall be allowed by the assessor upon the filing with him of a claim
33 in writing under oath, made by or on behalf of the person claiming
34 the same, showing the right to the exemption, briefly describing the
35 property for which exemption is claimed and having annexed
36 thereto a certificate of the claimant's honorable discharge or release
37 under honorable circumstances, from active service in any branch of
38 the Armed Forces of the United States and a certificate from the
39 United States Department of Veterans' Affairs or its successor,
40 certifying to a service-connected disability of such claimant of the
41 character described in section 1 of P.L.1948, c.259 (C.54:4-3.30).
42 In the case of a claim by a surviving spouse of such veteran, the
43 claimant shall establish in writing under oath that the claimant is the
44 owner of the legal title to the premises on which exemption is
45 claimed; that the claimant occupies the dwelling house on said
46 premises as the claimant's legal residence in this State; that the
47 veteran shall have been declared, either during the veteran's lifetime
48 or after the veteran's death, by the United States Department of

1 Veterans' Affairs to have or to have had a service-connected
2 disability of a character described in this act, or, in the case of a
3 claim for an exemption under subsection c. of section 1 of
4 P.L.1948, c.259 (C.54:4-3.30), that the veteran shall have been
5 declared to have died in active service; that the veteran was entitled
6 to an exemption provided for in this act, except for an exemption
7 under paragraph (2) of subsection b. and subsection c. of section 1
8 hereof, at the time of death; and that the claimant is a resident of
9 this State and has not remarried. Such exemptions shall be allowed
10 and prorated by the assessor for the remainder of any taxable year
11 from the date the claimant shall have acquired title to the real
12 property intended to be exempt by this act. Where a portion of a
13 multiple-family building or structure occupied by the claimant is
14 the subject of such exemption, the assessor shall aggregate the
15 assessment on the lot or curtilage and building or structure and
16 allow an exemption of that percentage of the aggregate assessment
17 as the value of the portion of the building or structure occupied by
18 the claimant bears to the value of the entire building or structure.
19 (cf: P.L.2019, c.413, s.2)

20

21 4. Section 3 of P.L.1948, c.259 (C.54:4-3.32) is amended to read
22 as follows:

23 3. The governing body of each municipality, by appropriate
24 resolution, may return all property taxes, or payments in lieu of
25 property taxes required pursuant to a contract between a
26 municipality and an urban renewal entity pursuant to the "Long
27 Term Tax Exemption Law," P.L.1991, c.431 (C.40A:20-1 et al.),
28 that were collected on property which would have been exempt had
29 proper claim in writing been made therefor in the manner provided
30 by P.L.1948, c.259 (C.54:4-3.30 et seq.). The governing body of
31 each municipality, by appropriate resolution, may also return to the
32 veteran or the veteran's surviving spouse all property tax payments,
33 or payments in lieu of property taxes required pursuant to a contract
34 between a municipality and an urban renewal entity pursuant to the
35 "Long Term Tax Exemption Law," P.L.1991, c.431 (C.40A:20-1 et
36 al.), that were made since the time of the veteran's actual disability
37 or since the time of the veteran's death. No refunds shall be made
38 under this section for any year or portion thereof prior to the
39 effective date of P.L.1948, c.259 (C.54:4-3.30 et seq.).
40 (cf: P.L.2007, c.317, s.3)

41

42 5. Section 2 of P.L.1963, c.171 (C.54:4-8.11) is amended to read
43 as follows:

44 2. Every person a citizen and resident of this State now or
45 hereafter honorably discharged or released under honorable
46 circumstances from active service in any branch of the Armed
47 Forces of the United States and a surviving spouse as defined
48 herein, during her widowhood or his widowerhood, and while a

1 resident of this State, shall be entitled, annually, on proper claim
2 being made therefor, to a deduction from the amount of any tax bill
3 for taxes on real or personal property or both, or from the amount of
4 any payment in lieu of property taxes required pursuant to a
5 contract between a municipality and an urban renewal entity
6 pursuant to the “Long Term Tax Exemption Law,” P.L.1991, c.431
7 (C.40A:20-1 et al.), in the sum of \$100 in tax year 2000, \$150 in tax
8 year 2001, \$200 in tax year 2002, and \$250 in each subsequent tax
9 year, or if the amount of any such tax or payment in lieu of property
10 taxes required pursuant to a contract between a municipality and an
11 urban renewal entity pursuant to the “Long Term Tax Exemption
12 Law,” P.L.1991, c.431 (C.40A:20-1 et al.) shall be less than \$100 in
13 tax year 2000, \$150 in tax year 2001, \$200 in tax year 2002, and
14 \$250 in each subsequent tax year, to a cancellation thereof. A
15 person otherwise eligible for the veterans' deduction who is a
16 resident of a continuing care retirement community shall receive the
17 amount of the deduction to the extent of the share of the taxes
18 assessed against the real property of the continuing care retirement
19 community that is attributable to the unit that the resident occupies.
20 The continuing care retirement community shall provide that
21 amount as a payment or credit to the resident for the amount of the
22 property tax credit received by the continuing care retirement
23 community. That payment or credit shall be made to the resident no
24 later than 30 days after the continuing care retirement community
25 receives the property tax bill on which the credit appears. In the
26 case of a continuing care retirement community constructed by an
27 urban renewal entity pursuant to the “Long Term Tax Exemption
28 Law,” P.L.1991, c.431 (C.40A:20-1 et al.), a person otherwise
29 eligible for the veterans' deduction who is a resident of such a
30 continuing care retirement community shall receive the amount of
31 the deduction to the extent of the share of the payment in lieu of
32 property taxes that is attributable to the unit that the resident
33 occupies.

34 (cf: P.L.2019, c.413, s.4)

35
36 6. Section 3 of P.L.1963, c.171 (C.54:4-8.12) is amended to read
37 as follows:

38 3. No veteran's deduction, from taxes assessed against real and
39 personal property, or from payments in lieu of property taxes
40 required pursuant to a contract between a municipality and an urban
41 renewal entity pursuant to the “Long Term Tax Exemption Law,”
42 P.L.1991, c.431 (C.40A:20-1 et al.), as provided herein, shall be
43 allowed except upon written application therefor, which application
44 shall be on a form prescribed by the Director of the Division of
45 Taxation, in the Department of the Treasury, and provided for the
46 use of claimants hereunder by the governing body of the
47 municipality constituting the taxing district in which such claim is
48 to be filed and the application has been approved as provided in this

1 act. An assessor shall not require the filing of an application for a
2 veteran's deduction under this act of any person who has filed, or
3 shall file, a claim for an exemption from taxation under chapter 184
4 of the laws of 1951, on or before December 31, 1963, but shall
5 approve a veteran's deduction for such person, if it appears from
6 such claim for exemption that such person meets all the other
7 prerequisites required by law for the approval of a claim for a
8 veteran's deduction. Each assessor may at any time inquire into the
9 right of a claimant to the continuance of a veteran's deduction
10 hereunder and for that purpose he may require the filing of a new
11 application or the submission of such proof as he shall deem
12 necessary to determine the right of the claimant to continuance of
13 such deduction. No application for a veteran's deduction based
14 upon service in the Armed Forces of the United States shall be
15 allowed unless there is annexed thereto a copy, which may be
16 photostatic, of claimant's certificate of honorable discharge or of his
17 certificate of release under honorable circumstances from active
18 service in a branch of the Armed Forces of the United States. In the
19 case of an application by a surviving spouse said application shall
20 not be allowed unless it clearly establishes that:

21 (a) Claimant's spouse died while on active duty in a branch of
22 the Armed Forces of the United States, having had active service in
23 a branch of the Armed Forces of the United States, or in the case of
24 a surviving spouse of a veteran, claimant shall establish that the
25 veteran was honorably discharged or released under honorable
26 circumstances from active service in any branch of the Armed
27 Forces of the United States, (b) claimant's spouse was a citizen and
28 resident of this State at the time of death, (c) claimant was the
29 spouse of the veteran at the time of the veteran's death, and (d)
30 claimant is a resident of this State and has not remarried.
31 (cf: P.L.2019, c.413, s.5)

32

33 7. Section 4 of P.L.1963, c.171 (C.54:4-8.13) is amended to read
34 as follows:

35 4. An application for a veteran's deduction hereunder may be
36 filed with the assessor of the taxing district at any time on or before
37 December 31 of the pretax year. If so filed and approved by the
38 assessor, he shall allow a veteran's deduction from taxes on the real
39 or personal property, or both, assessed to the claimant, or from
40 payments in lieu of property taxes made by the claimant as required
41 pursuant to a contract between a municipality and an urban renewal
42 entity pursuant to the "Long Term Tax Exemption Law," P.L.1991,
43 c.431 (C.40A:20-1 et al.), in the amount of the claim approved by
44 him and shall indicate, upon the assessment list and duplicates, the
45 approval thereof in such manner as shall be prescribed by rules of
46 the Director of the Division of Taxation, together with the
47 proportionate share of such property deemed to be owned by the
48 claimant for the purposes of this act, if the claimant is not the sole

1 owner thereof. The application, if not filed with the assessor within
2 the time aforementioned, may be filed with the collector during the
3 tax year and upon approval by the collector of such application he
4 shall determine the amount of the reduction in tax or in payment in
5 lieu of property taxes to which the claimant is entitled and shall
6 allow said amount as an offset against the tax or the payment in lieu
7 of property taxes then remaining unpaid. If the amount allowable
8 as an offset shall exceed the amount of the tax or the payment in
9 lieu of property taxes then unpaid for that tax year, or if the
10 application for a veteran's deduction is not filed with the collector
11 until after all taxes or payments in lieu of property taxes for the tax
12 year have been fully paid, the claimant may make application to the
13 governing body of the municipality constituting the taxing district
14 for the refund of any tax or payment in lieu of property taxes
15 overpaid, but without interest, and the governing body may, in its
16 discretion, direct the return of any tax or payment in lieu of
17 property taxes deemed by it to have been overpaid by reason of
18 claimant's failure to make timely application for a veteran's
19 deduction; provided, however, that no application for a veteran's
20 deduction for any previous tax year shall be allowed by any
21 assessor, collector or governing body. Where an application for a
22 veteran's deduction is filed with and allowed by a collector he shall
23 promptly transmit such application and all exhibits attached thereto,
24 or a photostatic copy thereof, to the assessor of the taxing district.
25 Upon receipt thereof the assessor shall review the application and if
26 approved by him it shall have the same force as if originally filed
27 with him.

28 (cf: P.L.1985, c.515, s.9)

29

30 8. Section 8 of P.L.1963, c.171 (C.54:4-8.17) is amended to read
31 as follows:

32 8. No person shall be allowed a veteran's deduction from the tax
33 assessed against real and personal property, or from payments in
34 lieu of property taxes made by the person as required pursuant to a
35 contract between a municipality and an urban renewal entity
36 pursuant to the "Long Term Tax Exemption Law," P.L.1991, c.431
37 (C.40A:20-1 et al.), of more than \$100 in the aggregate in tax year
38 2000, \$150 in the aggregate in tax year 2001, \$200 in the aggregate
39 in tax year 2002 and \$250 in the aggregate in any subsequent tax
40 year, but a veteran's deduction may be claimed in any taxing district
41 in which the claimant has taxable property and may be apportioned,
42 at the claimant's option, between two or more taxing districts;
43 provided such claims shall not exceed \$100 in the aggregate in tax
44 year 2000, \$150 in the aggregate in tax year 2001, \$200 in the
45 aggregate in tax year 2002 and \$250 in the aggregate in any
46 subsequent tax year. If a surviving spouse, as herein defined, shall
47 have been honorably discharged or released under honorable
48 circumstances from active service in any branch of the Armed

1 Forces of the United States, the surviving spouse shall be entitled to
2 a veteran's deduction for each status. The veteran's deductions
3 herein provided shall be in addition to any exemptions now or
4 hereafter provided by any other statute for disabled veterans or
5 surviving spouses, as herein defined, and in addition to any
6 deductions provided under P.L.1963, c.172 (C.54:4-8.40 et seq.) for
7 senior citizens and the permanently and totally disabled, and certain
8 surviving spouses thereof, to which the claimant is entitled. In
9 addition, a claimant may receive any homestead rebate or credit
10 provided by law.

11 (cf: P.L.2019, c.413, s.6)

12

13 9. Section 2 of P.L.1963, c.172 (C.54:4-8.41) is amended to read
14 as follows:

15 2. Every person, a citizen and resident of this State of the age of
16 65 or more years, or less than 65 years of age who is permanently
17 and totally disabled, having an annual income not in excess of the
18 limitations provided in this section and residing in a dwelling house
19 owned by him which is a constituent part of his real property or
20 residing in a dwelling house owned by him which is assessed as real
21 property but which is situated on land owned by another or others,
22 or residing as a tenant shareholder in a cooperative or mutual
23 housing corporation, shall be entitled, annually, on proper claim
24 being made therefor, to a deduction against the tax or taxes, or from
25 payments in lieu of property taxes made by the person as required
26 pursuant to a contract between a municipality and an urban renewal
27 entity pursuant to the "Long Term Tax Exemption Law," P.L.1991,
28 c.431 (C.40A:20-1 et al.), assessed against such real property, to an
29 amount not exceeding the amount of **[said]** that property tax or
30 payment in lieu of property taxes, the proportionate share of **[said]**
31 that property taxes or payment in lieu of property taxes attributable
32 to his unit, or the sum provided in this section, whichever is the
33 lesser, but no such deduction from taxes shall be in addition to any
34 other deduction or exemption from property taxes or payment in
35 lieu of property taxes to which said person may be entitled, except a
36 veteran's deduction provided under P.L.1963, c.171 (C.54:4-8.10 et
37 seq.). A citizen and resident granted a deduction pursuant to this
38 section may receive in addition any homestead rebate or credit
39 provided by law.

40 For the purposes of this section, the annual income limitation
41 shall be: \$5,000.00 for any year prior to 1981; \$8,000.00 for the
42 year 1981; \$9,000.00 for the year 1982; and \$10,000.00 for year
43 1983 and each year thereafter.

44 The sum deducted pursuant to this section shall not exceed: in
45 any year prior to 1981, \$160.00; in the year 1981, \$200.00; in the
46 year 1982, \$225.00; and in the year 1983 and in each year
47 thereafter, \$250.00.

48 For the purposes of this act:

1 a. The income of a married person shall be deemed to include
2 an amount equal to the income of the spouse during the applicable
3 income year, except for such portion of that year as the two were
4 living apart in a state of separation, whether under judicial decree or
5 otherwise.

6 b. The requirement of ownership shall be satisfied by the
7 holding of a beneficial interest in the dwelling house where legal
8 title thereto is held by another who retains a security interest in the
9 dwelling house.

10 (cf: P.L.1989, c.252, s.2)

11
12 10. Section 4 of P.L.1976, c.129 (C.54:4-8.41a) is amended to
13 read as follows:

14 4. The surviving spouse of a deceased citizen and resident of
15 this State who during his or her life received a real property tax
16 deduction, or a deduction from payments in lieu of property taxes
17 made by the person as required pursuant to a contract between a
18 municipality and an urban renewal entity pursuant to the "Long
19 Term Tax Exemption Law," P.L.1991, c.431 (C.40A:20-1 et al.),
20 pursuant to this act shall be entitled, so long as he or she shall
21 remain unmarried and a resident in the same dwelling house with
22 respect to which said deduction was granted, to the same deduction,
23 upon the same conditions, with respect to the same real property,
24 notwithstanding that said surviving spouse is under the age of 65
25 and is not permanently and totally disabled, provided that said
26 surviving spouse is 55 years of age or older at the time of the death
27 of said citizen and resident.

28 (cf: P.L.1976, c.129, s.4)

29
30 11. Section 4 of P.L.1963, c. 172 (C.54:4-8.43) is amended to
31 read as follows:

32 4. An application for a deduction hereunder may be filed with
33 the assessor of the taxing district on or before December 31 of the
34 pretax year. If an application is approved by the assessor, he shall
35 allow a deduction from the taxes assessed against the real property
36 assessed to the claimant as described therein or a deduction from
37 payments in lieu of property taxes made by the claimant as required
38 pursuant to a contract between a municipality and an urban renewal
39 entity pursuant to the "Long Term Tax Exemption Law," P.L.1991,
40 c.431 (C.40A:20-1 et al.), and shall indicate upon the assessment
41 list and duplicates the approval thereof in such manner as shall be
42 prescribed by rules of the Director of the Division of Taxation
43 together with the proportionate share of such property deemed to be
44 owned by the claimant for the purposes of this act if he is not the
45 sole owner thereof.

46 Upon approval of the application for a tax deduction or a
47 deduction from payments in lieu of property taxes made by the
48 claimant as required pursuant to a contract between a municipality

1 and an urban renewal entity pursuant to the “Long Term Tax
2 Exemption Law,” P.L.1991, c.431 (C.40A:20-1 et al.), the tax
3 collector shall note in his records the existence of a contingent
4 liability for taxes or payments in lieu of property taxes in the
5 amount of the deduction in the event the deduction is subsequently
6 disallowed on the basis of the taxpayer's income, the transfer of title
7 to the property to a person not entitled to such deduction, or on the
8 basis of the failure to meet any other prerequisites required by this
9 act for a tax deduction, or a deduction from payments in lieu of
10 property taxes made by the claimant as required pursuant to a
11 contract between a municipality and an urban renewal entity
12 pursuant to the “Long Term Tax Exemption Law,” P.L.1991, c.431
13 (C.40A:20-1 et al.), which contingent liability shall be reported on
14 any tax search made on the property for which the deduction was
15 approved.

16 The application, if not filed with the assessor within the time
17 aforementioned, may be filed with the collector during the tax year
18 and upon approval by the collector of such application he shall
19 determine the amount of the reduction in tax or in payment in lieu
20 of property taxes to which the claimant is entitled and shall allow
21 said amount as an offset against the tax, or payment in lieu of
22 property taxes, then remaining unpaid. If the amount allowable as
23 an offset shall exceed the amount of the tax, or payment in lieu of
24 property taxes, then unpaid for that tax year, or if the application for
25 a tax deduction, or a deduction from payments in lieu of property
26 taxes made by the claimant as required pursuant to a contract
27 between a municipality and an urban renewal entity pursuant to the
28 “Long Term Tax Exemption Law,” P.L.1991, c.431 (C.40A:20-1 et
29 al.), is not filed with the collector until after all taxes, or payments
30 in lieu of property taxes, for the tax year have been fully paid, the
31 claimant may make application to the governing body of the
32 municipality constituting the taxing district for the refund of any tax
33 overpaid, but without interest, and the governing body may, in its
34 discretion, direct the return of any tax, or payment in lieu of
35 property taxes, deemed by it to have been overpaid by reason of
36 claimant's failure to make timely application for a tax deduction, or
37 a deduction from payments in lieu of property taxes made by the
38 claimant as required pursuant to a contract between a municipality
39 and an urban renewal entity pursuant to the “Long Term Tax
40 Exemption Law,” P.L.1991, c.431 (C.40A:20-1 et al.); provided,
41 however, that no application for a tax deduction, or a deduction
42 from payments in lieu of property taxes made by the claimant as
43 required pursuant to a contract between a municipality and an urban
44 renewal entity pursuant to the “Long Term Tax Exemption Law,
45 P.L.1991, c.431 (C.40A:20-1 et al.), for any previous tax year shall
46 be allowed by any assessor, collector or governing body. Where an
47 application for a tax deduction, or a deduction from payments in
48 lieu of property taxes made by the claimant as required pursuant to

1 a contract between a municipality and an urban renewal entity
2 pursuant to the "Long Term Tax Exemption Law," P.L.1991, c.431
3 (C.40A:20-1 et al.), is filed with and allowed by a collector he shall
4 promptly transmit such application and all exhibits attached thereto,
5 or a photostatic copy thereof, to the assessor of the taxing district.
6 Upon receipt thereof the assessor shall review the application and if
7 approved by him it shall have the same force as if originally filed
8 with him.

9 (cf: P.L.1976, c.129, s.6)

10
11 12. Section 5 of P.L.1964, c.255 (C.54:4-8.44a) is amended to
12 read as follows:

13 5. Every person who is allowed a deduction shall, except as
14 hereinafter provided, be required to file with the collector of the
15 taxing district on or before March 1 of the post-tax year a statement
16 under oath of his income for the tax year and his anticipated income
17 for the ensuing tax year as well as any other information deemed
18 necessary to establish his right to a tax deduction, or a deduction
19 from payments in lieu of property taxes made by the claimant as
20 required pursuant to a contract between a municipality and an urban
21 renewal entity pursuant to the "Long Term Tax Exemption Law,"
22 P.L.1991, c.431 (C.40A:20-1 et al.), for such ensuing tax year. The
23 collector may grant a reasonable extension of time for filing the
24 statement required by this section, which extension shall terminate
25 no later than May 1 of the post-tax year, in any event where it shall
26 appear to the satisfaction of the collector, verified by a physician's
27 certificate, that the failure to file by March 1 was due to illness or a
28 medical problem which prevented timely filing of the statement. In
29 any case where such an extension is granted by the collector, the
30 required statement shall be filed on or before May 1 of the post-tax
31 year.

32 Such statement shall be on a form prescribed by the Director of
33 the Division of Taxation, in the Department of the Treasury and
34 provided for the use of persons required to make such statement by
35 the governing body of the municipality constituting the taxing
36 district in which such statement is required to be filed and shall be
37 mailed by the collector on or before February 1 of the post-tax year
38 to each person within the taxing district who was allowed a
39 deduction in the preceding year. Each collector may require the
40 submission of such proof as he shall deem necessary to verify any
41 such statement. Upon the failure of any such person to file the
42 statement within time herein provided or to submit such proof as the
43 collector deems necessary to verify a statement that has been filed,
44 or if it is determined that the income of any such person exceeded
45 the applicable income limitation for said tax year, his tax deduction
46 for said tax year shall be disallowed. A notice of disallowance, on a
47 form prescribed by the director, shall be mailed to that person by
48 the collector on or before April 1 of the post-tax year or, where an

1 extension of time for filing has been granted, no later than June 1,
2 and his taxes, or payments in lieu of property taxes, to the extent
3 represented by the amount of said deduction shall be payable on or
4 before June 1 of the post-tax year or, where an extension of time for
5 filing has been granted no later than 30 calendar days after the
6 notice of disallowance was mailed, after which date if unpaid, said
7 taxes shall be delinquent, constitute a lien on the property, and, in
8 addition, the amount of said taxes shall be a personal debt of said
9 person.

10 The amount of any lien and tax liability, or the amount of any
11 lien and liability for payments in lieu of property taxes, shall be
12 prorated by the tax collector upon the transfer of title based on the
13 number of days during the tax year that entitlement to the tax
14 deduction is established. The lien shall be considered satisfied by
15 the tax collector upon payment of the prorated amount for that
16 portion of the tax year for which entitlement to the tax deduction is
17 not established.

18 (cf: P.L.1997, c.30, s.3)

19

20 13. Section 7 of P.L.1963, c.172 (C.54:4-8.46) is amended to
21 read as follows:

22 7. Where title to property as to which a deduction is claimed is
23 held by claimant and another or others, either as tenants in common
24 or as joint tenants, claimant shall not be allowed a deduction in an
25 amount in excess of his proportionate share of the taxes assessed
26 against said property, or from payments in lieu of property taxes
27 made by the claimant as required pursuant to a contract between a
28 municipality and an urban renewal entity pursuant to the "Long
29 Term Tax Exemption Law," P.L.1991, c.431 (C.40A:20-1 et al.),
30 which proportionate share, for the purposes of this act, shall be
31 deemed to be equal to that of each of the other tenants, unless it is
32 shown that the interests in question are not equal, in which event
33 claimant's proportionate share shall be as shown. Nothing herein
34 shall preclude more than one tenant, whether title be held in
35 common or joint tenancy, from claiming a deduction from the taxes
36 assessed against the property so held, , or from payments in lieu of
37 property taxes made by the claimant as required pursuant to a
38 contract between a municipality and an urban renewal entity
39 pursuant to the "Long Term Tax Exemption Law," P.L.1991, c.431
40 (C.40A:20-1 et al.), but no more than the equivalent of one full
41 deduction in regard to such property shall be allowed in any year,
42 and in any case in which the claimants cannot agree as to the
43 apportionment thereof, such deduction shall be apportioned between
44 or among them in proportion to their interest. Property held by
45 husband and wife, as tenants by the entirety, shall be deemed
46 wholly owned by each tenant, but no more than one deduction in
47 regard to such property shall be allowed in any year. Right to claim
48 a deduction hereunder shall extend to property the title to which is

1 held by a partnership, to the extent of the claimant's interest as a
2 partner therein, and by a guardian, trustee, committee, conservator
3 or other fiduciary for any person who would otherwise be entitled to
4 claim such deduction hereunder, but not to property the title to
5 which is held by a corporation; except that a residential shareholder
6 in a cooperative or mutual housing corporation shall be entitled to
7 claim a deduction he is otherwise eligible to receive, to the extent of
8 the proportionate share of the taxes assessed against the real
9 property of the corporation, or any other entity holding title,
10 attributable to his unit therein, or from payments in lieu of property
11 taxes as required pursuant to a contract between a municipality and
12 an urban renewal entity pursuant to the "Long Term Tax Exemption
13 Law," P.L.1991, c.431 (C.40A:20-1 et al.), attributable to the
14 residential shareholder's unit therein.
15 (cf: P.L.1989, c.252, s.4)

16

17 14. This act shall take effect immediately but shall remain
18 inoperative until the approval by the voters of the State, at a general
19 election, an amendment to the New Jersey Constitution authorizing
20 the property tax benefits provided herein to veterans, seniors, and
21 persons with disabilities who pay payments in lieu of property taxes
22 instead of property taxes.

23

24

25

STATEMENT

26

27 This bill would extend eligibility for the property tax exemption
28 provided to veterans who have suffered a 100 percent service-
29 connected disability, the \$250 veterans property tax deduction, and
30 the \$250 property tax deduction for senior citizens and persons with
31 disabilities to those persons who pay payments in lieu of property
32 taxes, as required pursuant to a contract between a municipality and
33 an urban renewal entity pursuant to the "Long Term Tax Exemption
34 Law," P.L.1991, c.431 (C.40A:20-1 et al.), instead of property
35 taxes, on their homes.