

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 1756

with committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 30, 2025

The Senate Community and Urban Affairs Committee reports favorably and with committee amendments Senate Bill No. 1756.

As amended, this bill revises the criteria for establishing a claimant's base year under the homestead property tax reimbursement program. Under current law, when an eligible claimant moves from one home to another, the base year changes to the first full tax year during which the person resides in the new homestead, and then a claimant is to wait an additional tax year in order to be deemed "eligible" for the homestead property tax reimbursement.

The bill allows the claimant to retain eligibility following a move to another New Jersey homestead. Thus, a claimant is to be able to qualify as an eligible claimant immediately following a move and is not to be required to wait an additional tax year in order to claim a reimbursement. In this case the homestead reimbursement payment is to be based on the property taxes assessed on the current homestead for the tax year prior to which the claimant resides in the current homestead. However, if the new homestead is "new construction," which is defined as any homestead that first became taxable during the year in which the eligible claimant initially takes residence in the homestead or the year prior thereto, the base year is to be the first full tax year following the construction's completion.

This bill was pre-filed for introduction in the 2024-2025 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS:

The committee amended the bill to provide that immediate eligibility for certain claimants will not apply to tax years commencing prior to the first full tax year next following the effective date of the bill.