

SENATE, No. 2715

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED FEBRUARY 15, 2024

Sponsored by:

Senator JAMES W. HOLZAPFEL

District 10 (Monmouth and Ocean)

Senator KRISTIN M. CORRADO

District 40 (Bergen, Essex and Passaic)

SYNOPSIS

Increases annual income limit for eligibility to receive homestead property tax reimbursement.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 2/15/2024)

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2

1 AN ACT concerning the eligibility requirements to receive a
2 homestead property tax reimbursement and amending P.L.1997,
3 c.348.

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

7
8 1. Section 1 of P.L.1997, c.348 (C.54:4-8.67) is amended to
9 read as follows:

10 1. As used in this act:

11 "Base year" means, in the case of a person who is an eligible
12 claimant on or before December 31, 1997, the tax year 1997; and in
13 the case of a person who first becomes an eligible claimant after
14 December 31, 1997, the tax year in which the person first becomes
15 an eligible claimant. In the case of an eligible claimant who
16 subsequently moves from the homestead for which the initial
17 eligibility was established, the base year shall be the first full tax
18 year during which the person resides in the new homestead.
19 Provided however, a base year for an eligible claimant after such a
20 move shall not apply to tax years commencing prior to January 1,
21 2009. In the case of an eligible claimant who receives a Stay NJ
22 property tax credit in lieu of a homestead property tax
23 reimbursement pursuant to section 4 of P.L.2023, c.75 (C.54:4-
24 8.75d), the base year of that eligible claimant shall remain
25 unchanged.

26 "Commissioner" means the Commissioner of Community
27 Affairs.

28 "Director" means the Director of the Division of Taxation.

29 "Condominium" means the form of real property ownership
30 provided for under the "Condominium Act," P.L.1969, c.257
31 (C.46:8B-1 et seq.).

32 "Cooperative" means a housing corporation or association which
33 entitles the holder of a share or membership interest thereof to
34 possess and occupy for dwelling purposes a house, apartment or
35 other unit of housing owned or leased by the corporation or
36 association, or to lease or purchase a unit of housing constructed or
37 to be constructed by the corporation or association.

38 "Disabled person" means an individual receiving monetary
39 payments pursuant to Title II of the federal Social Security Act (42
40 U.S.C. s.401 et seq.) on December 31, 1998, or on December 31 in
41 all or any part of the year for which a homestead property tax
42 reimbursement under this act is claimed.

43 "Dwelling house" means any residential property assessed as real
44 property which consists of not more than four units, of which not
45 more than one may be used for commercial purposes, but shall not

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.

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1 include a unit in a condominium, cooperative, horizontal property
2 regime or mutual housing corporation.

3 "Eligible claimant" means a person who:

4 is 65 or more years of age, or who is a disabled person;

5 is an owner of a homestead, or the lessee of a site in a mobile
6 home park on which site the applicant owns a manufactured or
7 mobile home;

8 **【has an annual income of less than \$17,918 in tax year 1998, less
9 than \$18,151 in tax year 1999, or less than \$37,174 in tax year
10 2000, if single, or, if married, whose annual income combined with
11 that of the spouse is less than \$21,970 in tax year 1998, less than
12 \$22,256 in tax year 1999, or less than \$45,582 in tax year 2000,
13 which income eligibility limits for single and married persons shall
14 be subject to adjustments in tax years 2001 through 2006 pursuant
15 to section 9 of P.L.1997, c.348 (C.54:4-8.68);】**

16 has an annual income of \$60,000 or less in tax year 2007,
17 \$70,000 or less in tax year 2008, **【or】** \$80,000 or less in tax **【year】**
18 years 2009 through 2016, and \$100,000 or less in tax year 2017 and
19 in each tax year thereafter, if single or married, which income
20 eligibility limits shall be subject to adjustments in tax years 2010
21 through 2021 pursuant to section 9 of P.L.1997, c.348 (C.54:4-
22 8.68);

23 has an annual income of \$150,000 or less in tax year 2022, if
24 single or married, which income eligibility limits shall be subject to
25 adjustments in subsequent tax years pursuant to section 9 of
26 P.L.1997, c.348 (C.54:4-8.68);

27 has, for at least three years, owned and resided in the homestead
28 for which a homestead property tax reimbursement is sought prior
29 to the date that an initial application for a homestead property tax
30 reimbursement is filed. A person who has been an eligible claimant
31 for a previous tax year shall qualify as an eligible claimant
32 beginning the second full tax year following a move to another
33 homestead in New Jersey, despite not meeting the three-year
34 minimum residency and ownership requirement required for initial
35 claimants under this paragraph; provided that the person satisfies
36 the income eligibility limits for the tax year. Provided however,
37 eligibility beginning in a second full tax year after such a move
38 shall not apply to tax years commencing prior to January 1, 2010.

39 "Homestead" means:

40 a dwelling house and the land on which that dwelling house is
41 located which constitutes the place of the eligible claimant's
42 domicile and is owned and used by the eligible claimant as the
43 eligible claimant's principal residence;

44 a site in a mobile home park equipped for the installation of
45 manufactured or mobile homes, where these sites are under
46 common ownership and control for the purpose of leasing each site
47 to the owner of a manufactured or mobile home for the installation

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1 thereof and such site is used by the eligible claimant as the eligible
2 claimant's principal residence;

3 a dwelling house situated on land owned by a person other than
4 the eligible claimant which constitutes the place of the eligible
5 claimant's domicile and is owned and used by the eligible claimant
6 as the eligible claimant's principal residence;

7 a condominium unit or a unit in a horizontal property regime or a
8 continuing care retirement community which constitutes the place
9 of the eligible claimant's domicile and is owned and used by the
10 eligible claimant as the eligible claimant's principal residence.

11 In addition to the generally accepted meaning of "owned" or
12 "ownership," a homestead shall be deemed to be owned by a person
13 if that person is a tenant for life or a tenant under a lease for 99
14 years or more, is entitled to and actually takes possession of the
15 homestead under an executory contract for the sale thereof or under
16 an agreement with a lending institution which holds title as security
17 for a loan, or is a resident of a continuing care retirement
18 community pursuant to a contract for continuing care for the life of
19 that person which requires the resident to bear, separately from any
20 other charges, the proportionate share of property taxes attributable
21 to the unit that the resident occupies;

22 a unit in a cooperative or mutual housing corporation which
23 constitutes the place of domicile of a residential shareholder or
24 lessee therein, or of a lessee or shareholder who is not a residential
25 shareholder therein, which is used by the eligible claimant as the
26 eligible claimant's principal residence.

27 "Homestead property tax reimbursement" means payment of the
28 difference between the amount of property tax or site fee
29 constituting property tax due and paid in any year on any
30 homestead, exclusive of improvements not included in the
31 assessment on the real property for the base year, and the amount of
32 property tax or site fee constituting property tax due and paid in the
33 base year, when the amount paid in the base year is the lower
34 amount; but such calculations shall be reduced by any current year
35 property tax reductions or reductions in site fees constituting
36 property taxes resulting from judgments entered by county boards
37 of taxation or the State Tax Court.

38 "Horizontal property regime" means the form of real property
39 ownership provided for under the "Horizontal Property Act,"
40 P.L.1963, c.168 (C.46:8A-1 et seq.).

41 "Manufactured home" or "mobile home" means a unit of housing
42 which:

43 (1) Consists of one or more transportable sections which are
44 substantially constructed off site and, if more than one section, are
45 joined together on site;

46 (2) Is built on a permanent chassis;

47 (3) Is designed to be used, when connected to utilities, as a
48 dwelling on a permanent or nonpermanent foundation; and

1 (4) Is manufactured in accordance with the standards
2 promulgated for a manufactured home by the Secretary of the
3 United States Department of Housing and Urban Development
4 pursuant to the "National Manufactured Housing Construction and
5 Safety Standards Act of 1974," Pub.L.93-383 (42 U.S.C. s.5401 et
6 seq.) and the standards promulgated for a manufactured or mobile
7 home by the commissioner pursuant to the "State Uniform
8 Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.).

9 "Mobile home park" means a parcel of land, or two or more
10 parcels of land, containing no fewer than 10 sites equipped for the
11 installation of manufactured or mobile homes, where these sites are
12 under common ownership and control for the purpose of leasing
13 each site to the owner of a manufactured or mobile home for the
14 installation thereof, and where the owner or owners provide
15 services, which are provided by the municipality in which the park
16 is located for property owners outside the park, which services may
17 include but shall not be limited to:

- 18 (1) The construction and maintenance of streets;
- 19 (2) Lighting of streets and other common areas;
- 20 (3) Garbage removal;
- 21 (4) Snow removal; and
- 22 (5) Provisions for the drainage of surface water from home sites
23 and common areas.

24 "Mutual housing corporation" means a corporation not-for-profit,
25 incorporated under the laws of this State on a mutual or cooperative
26 basis within the scope of section 607 of the Lanham Act (National
27 Defense Housing), Pub.L.849, (42 U.S.C. s.1521 et seq.), as
28 amended, which acquired a National Defense Housing Project
29 pursuant to that act.

30 "Income" means income as determined pursuant to P.L.1975,
31 c.194 (C.30:4D-20 et seq.).

32 "Principal residence" means a homestead actually and
33 continually occupied by an eligible claimant as his or her permanent
34 residence, as distinguished from a vacation home, property owned
35 and rented or offered for rent by the claimant, and other secondary
36 real property holdings.

37 "Property tax" means the general property tax due and paid as set
38 forth in this section, and shall include the amount of property tax
39 credit as defined in section 1 of P.L.2018, c.11 (C.54:4-66.6), on a
40 homestead, but does not include special assessments and interest
41 and penalties for delinquent taxes. For the sole purpose of
42 qualifying for a benefit under P.L.1997, c.348 (C.54:4-8.67 et seq.),
43 property taxes paid by June 1 of the year following the year for
44 which the benefit is claimed will be deemed to be timely paid.

45 "Site fee constituting property tax" means 18 percent of the
46 annual site fee paid or payable to the owner of a mobile home park.

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1 "Tax year" means the calendar year in which a homestead is
2 assessed and the property tax is levied thereon and it means the
3 calendar year in which income is received or accrued.
4 (cf: P.L.2023, c.75, s.13)

5

6 2. This act shall take effect immediately.

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8

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STATEMENT

10

11 This bill would increase the annual income limit for eligibility to
12 receive a homestead property tax reimbursement.

13 Under current law, the income limit is \$80,000 or less for single
14 persons or married couples. This bill would increase that income
15 limit to \$100,000 or less in 2017 and each year thereafter, to allow
16 more senior citizens and disabled persons to qualify for this
17 property tax relief program.