

ASSEMBLY, No. 5596

STATE OF NEW JERSEY 222nd LEGISLATURE

INTRODUCED OCTOBER 5, 2026

Sponsored by:

Assemblyman PAUL KANITRA
District 10 (Monmouth and Ocean)

SYNOPSIS

“Open Space Tax Revaluation Fairness Act”; Authorizes changes to municipal open space tax by ordinance rather than referendum in certain circumstances.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning municipal open space tax levy and amending
2 P.L.1997, c.24.

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

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7 1. Section 7 of P.L.1997, c.24 (C.40:12-15.7) is amended to read
8 as follows:

9 7. a. (1) The governing body of any municipality may submit to
10 the voters of the municipality in a general or special election a
11 proposition authorizing imposition of an annual levy for an amount
12 or at a rate deemed appropriate for any or all of the following
13 purposes, or any combination thereof, as determined by the
14 governing body:

15 (a) acquisition of lands for recreation and conservation
16 purposes;

17 (b) development of lands acquired for recreation and
18 conservation purposes;

19 (c) maintenance of lands acquired for recreation and
20 conservation purposes;

21 (d) acquisition of farmland for farmland preservation purposes;

22 (e) historic preservation of historic properties, structures,
23 facilities, sites, areas, or objects, and the acquisition of such
24 properties, structures, facilities, sites, areas, or objects for historic
25 preservation purposes;

26 (f) payment of debt service on indebtedness issued or incurred
27 by a municipality for any of the purposes set forth in subparagraph
28 (a), (b), (d), (e) or (g) of this paragraph; or

29 (g) Blue Acres projects.

30 (2) The amount or rate of the annual levy may be subdivided in
31 the proposition to reflect the relative portions thereof to be allocated
32 to any of the respective purposes specified in paragraph (1) of this
33 subsection or may be depicted as a total amount or rate, to be
34 subdivided in a manner determined previously, or to be determined
35 at a later date, by the governing body of the municipality after
36 conducting at least one public hearing thereon.

37 b. Upon approval of the proposition by a majority of the votes
38 cast by the voters of the municipality, the governing body of the
39 municipality may annually raise by taxation a sum not to exceed the
40 amount or rate set forth in the proposition approved by the voters
41 for the purposes specified therein. If the amount or rate set forth in
42 the proposition was not subdivided among the various purposes, the
43 governing body of the municipality may determine the appropriate
44 amount or rate to be allocated to each purpose after conducting at
45 least one public hearing thereon.

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 c. Amounts raised by the levy imposed pursuant to this section
2 shall be deposited into a "Municipal Open Space, Recreation,
3 Floodplain Protection, and Farmland and Historic Preservation
4 Trust Fund" to be created by the municipality, and shall be used
5 exclusively for the purposes authorized by the voters of the
6 municipality. Any interest or other income earned on monies
7 deposited into the municipal trust fund shall be credited to the fund
8 to be used for the same purposes as the principal. Separate
9 accounts may be created within the municipal trust fund for the
10 deposit of revenue to be expended for each of the purposes
11 specified in the proposition approved by the voters of the
12 municipality. A municipality may deposit other funds into the
13 Municipal Open Space, Recreation, Floodplain Protection, and
14 Farmland and Historic Preservation Trust Fund, as it may, from
15 time to time, deem appropriate.

16 d. The governing body of a municipality may submit to the
17 voters of the municipality in a general or special election a
18 proposition amending or supplementing a proposition previously
19 submitted, approved, and implemented as provided pursuant to this
20 section either (1) changing the amount or rate of the annual levy, or
21 (2) adding or removing purposes authorized pursuant to this section
22 for which the levy may be expended. Upon approval of the
23 amendatory or supplementary proposition by a majority of the votes
24 cast by the voters of the municipality, the governing body of the
25 municipality shall implement it in the same manner as set forth in
26 P.L.1997, c.24 for implementation of the original proposition.

27 e. Upon petition to the governing body of a municipality
28 signed by the voters of the municipality equal in number to at least
29 15 **[%]** percent of the votes cast therein at the last preceding
30 general election, filed with the governing body at least 90 days
31 before a general or special election, the governing body of the
32 municipality shall submit to the voters of the municipality in the
33 general or special election the proposition otherwise authorized
34 pursuant to subsection a. or subsection d. of this section, as the case
35 may be.

36 f. Notwithstanding the provisions of this section to the contrary,
37 the governing body of a municipality may, by ordinance, reduce the
38 rate of a tax levy imposed pursuant to this section in proportion to a
39 reduction in the average municipal property tax rate as a result of a
40 revaluation of real property conducted in accordance with P.L.1971,
41 c.424 (C.54:1-35.35 et seq.), a district-wide reassessment program,
42 compliance plan, or other form of municipal-wide assessment
43 review that requires the revision of all property assessments to
44 current market value. The submission of a proposition to the voters
45 shall not be necessary for an ordinance adopted pursuant to this
46 subsection to take effect.

47 (cf: P.L.2011, c.173, s.7)

1 2. This act shall take effect immediately.

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STATEMENT

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6 This bill allows the governing body of a municipality to, by
7 ordinance rather than referendum, reduce the rate of a tax levy
8 imposed to collect funds for the purposes of a Municipal Open
9 Space, Recreation, Floodplain Protection, and Farmland and
10 Historic Preservation Trust Fund. This permission is only to be
11 applicable in the event that a revaluation or reassessment of real
12 property reduces the average municipal property tax rate, and the
13 reduction permitted by the bill is to be in proportion with such. The
14 sponsor believes that a municipality should have the option to
15 prevent an effective increase in total property tax collection that
16 would otherwise result from a revaluation or reassessment since the
17 primary purpose of revaluation or reassessment is not to generate
18 additional revenue, but to ensure that all properties are accurately
19 valued and the property tax burden is fairly distributed.