Article VIII, Section I, Paragraph 4
New Jersey Constitution

LEGISLATIVE HISTORY CHECKLIST

Compiled by the NJ State Law Library

(Authorizes senior or disabled citizens deductions on real property taxes to any eligible owner-occupant of a dwelling house, notwithstanding that he does not own the property in which the dwelling is situated)

New Jersey Constitution: Article VIII, Section I, Paragraph 4

BILL NO: SCR90

SPONSOR: Hamilton, Dwyer, Weiss, J. Russo, Parker, Galiano, Bedell, Perskie, Yates

DATE INTRODUCED: 2/21/1980

COMMITTEE: **Assembly:** --

Senate: Revenue, Finance and Appropriations

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** 7/28/1980

SENATE: 6/23/1980

FILED WITH SECRETARY OF STATE: 7/29/1980

DATE OF ADOPTION: 114/1980

EFFECTIVE: 12/4/1980

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Introduced bill enacted) Yes

SPONSOR'S STATEMENT: Yes

COMMITTEE STATEMENT: **ASSEMBLY**: No

SENATE: Yes

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: Yes

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: No

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext. 103 or mailto:refdesk@njstatelib.org.

REPORTS: No

HEARINGS: Yes

974.90 T235 1980a Public hearing before Senate Revenue, Finance and Appropriations Committee on SCR #90 : [concerns property tax deduction for senior and disabled citizens] : held May 28, 1980 ... Trenton, New Jersey.

NEWSPAPER ARTICLES: Yes

Foster-Pegg, Perri, 'Vets' priority reform stalled', *The Trenton Times*, 3/3/1980, pg 62

'Elections at a glance', *The Trenton Times*, 11/2/1980, pg 123

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SENATE CONCURRENT RESOLUTION No. 90

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 21, 1980

By Senators HAMILTON, DWYER, WEISS, J. RUSSO, PARKER, GAGLIANO, BEDELL, PERSKIE and YATES

Referred to Committee on Revenue, Finance and Appropriations

A CONCURRENT RESOLUTION proposing to amend Article VIII, Section I, paragraph 4 of the Constituion of the State of New Jersey.

BE IT RESOLVED *by the Senate of the State of New Jersey (the General Assembly concurring):*

1. The following proposed amendment to the Constitution is hereby agreed to:

PROPOSED AMENDMENT

Amend Article VIII, Section I, paragraph 4 of the Constitution to read as follows:

4. The Legislature may, from time to time, enact laws granting an annual deduction from the amount of any tax bill for *real property* taxes **[**on the real property**]** of any citizen and resident of this State of the age of 65 or more years, or any citizen and resident of this State less than 65 years of age who is permanently and totally disabled according to the provisions of the Federal Social Security Act, residing in a dwelling house owned by him **[**which is a constituent part of such real property**]**, *on such dwelling house and, if owned by the owner of the dwelling house, the land on which it is situated,* but no such deduction shall be in excess of $160.00 and such deduction shall be restricted to owners having an income not in excess of $5,000.00 per year exclusive of benefits under any one of the following:

a. The Federal Social Security Act and all amendments and supplements thereto;

b. Any other program of the Federal Government or pursuant to any other Federal law which provides benefits in whole or in part in lieu of benefits referred to in, or for persons excluded from

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

coverage under, a. hereof including but not limited to the Federal Railroad Retirement Act and Federal pension, disability and retirement programs; or

c. Pension, disability or retirement programs of any state or its political subdivisions, or agencies thereof, for persons not covered under a. hereof;

provided, however, that the total amount of benefits to be allowed exclusion by any owner under b. or c. hereof shall not be in excess of the maximum amount of benefits payable to, and allowable for exclusion by, an owner in similar circumstances under a. hereof.

The surviving spouse of a deceased citizen and resident of this State who during his or her life received a real property tax deduction pursuant to this paragraph shall be entitled, so long as he or she shall remain unmarried and a resident in the same dwelling house with respect to which said deduction was granted, to the same deduction, upon the same conditions, with respect to the same [real property] *land on which the dwelling house is situated*, notwithstanding that said surviving spouse is under the age of 65 and is not permanently and totally disabled, provided that said surviving spouse is 55 years of age or older.

Any such deduction when so granted by law shall be granted so that it will not be in addition to any other deduction or exemption to which the said citizen and resident may be entitled, but said citizen and resident may receive in addition any homestead rebate or credit provided by law. The State shall annually reimburse each taxing district in an amount equal to one-half of the tax loss to the district resulting from the allowance of tax deductions pursuant to this paragraph.

2. When this proposed amendment to the Constitution is finally agreed to, pursuant to Article IX, paragraph 1 of the Constitution, it shall be submitted to the people at the next general election occurring more than 3 months after such final agreement and shall be published at least once in at least one newspaper of each county designated by the President of the Senate and the Speaker of the General Assembly and the Secretary of State, not less than 3 months prior to said general election.

3. This proposed amendment to the Constitution shall be submitted to the people at said election in the following manner and form:

There shall be printed on each official ballot to be used at such general election, the following:

a. In every municipality in which voting machines are not used, a legend which shall immediately precede the question, as follows:

If you favor the proposition printed below make a cross (×), plus (+) or check (√) in the square opposite the word "Yes." If you are opposed thereto make a cross (×), plus (+) or check (√) in the square opposite the word "No."

b. In every municipality the following question:

	Yes.	AUTHORIZE SENIOR OR DISABLED CITIZENS DEDUCTIONS ON REAL PROPERTY TAXES TO ANY ELIGIBLE OWNER-OCCUPANT OF A DWELLING HOUSE. Do you approve the amendment to the Constitution of the State of New Jersey, agreed to by the Legislature, providing that an annual deduction from real property taxes shall be accorded to any eligible senior citizen or permanently and totally disabled person, or eligible spouse, on an owner-occupied dwelling house, notwithstanding that the land on which the dwelling house is situated is not owned by the owner-occupant? INTERPRETATIVE STATEMENT Approval of this amendment will allow eligible senior or disabled citizens to receive a real property tax deduction if they own and occupy and pay taxes on a dwelling house, including a mobile home, but do not own the land on which it is situated.
	No.	

STATEMENT

Under the terms of Article VIII, Section I, paragraph 4 of the State Constitution, only an otherwise qualified person who owns and occupies a dwelling house and the land on which the house is situated is eligible for the so-called senior citizen deduction on real property taxes. The provisions of this amendment authorize the grant of such annual tax deductions to any homeowner who otherwise meets the requirements of paragraph 4, but does not own the land on which his dwelling house is situated. The amendment is directed toward owned-occupied mobile homes situated on leased land, where such homes are taxed as real property, though it will also apply to any other similar situation satisfying the provisions of paragraph 4. An otherwise qualified mobile home owner who owns both a mobile home and land on which situated and pays real property taxes thereon, is already eligible for senior citizen/disabled citizens deductions.

The amendment is in response to a recent New Jersey Supreme Court decision, *Koester* v. *Hunterdon County Board of Taxation,* 79 N. J. 381 (1979), which holds that mobile homes are taxable as real property insofar as such mobile homes serve "the same function . . . and . . . receive the same municipal services . . . as other housing".

SENATE REVENUE, FINANCE AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE CONCURRENT RESOLUTION No. 90

STATE OF NEW JERSEY

DATED: MAY 5, 1980

This Concurrent Resolution proposes an amendment to Article VIII, Section I, paragraph 4 of the Constitution of the State of New Jersey so to include as qualified for the $160.00 deduction from property taxes of senior and disabled citizens, a dwelling house owner-occupied situated on land owned by another or others.

The language of the paragraph in the Constitution which establishes the qualifications for the $160.00 property tax deduction with regard to property, requires both the dwelling house and the land to be owned by the otherwise qualifying senior or disabled citizen. The proposed amendment will allow otherwise eligible senior or disabled citizens to receive the real property tax deduction if they own and occupy and pay taxes on a dwelling house, notwithstanding that the land on which the dwelling house is located is owned by another person or persons.

This proposed amendment is a response to a recent New Jersey Supreme Court decision, Koester v. Hunterdon County Board of Taxation, 79 N. J. 381 (1979), wherein the court held that mobile homes are assessable and taxable as real property. Because these mobile homes are frequently situated on land not owned by the occupant yet used as a primary dwelling the property tax deduction would not be available. If adopted on referendum the deduction would be available.

The mobile home used as a dwelling house is not the only newly qualified dwelling house within the scope of this proposed constitutional amendment. There are many dwelling houses, other than mobile homes, which are owned and occupied by otherwise qualified senior and disabled citizens which are situated on leased land. These would also newly qualify for the real property tax deduction as a result of this proposed amendment. This assumes that the implementing legislation will not extend the property tax deduction exclusively to mobile homes, but rather will be sufficiently general to extend the deduction to any otherwise qualified senior or disabled citizen owning, occupying and paying real property taxes on a dwelling house situated on land owned by another.

COMMITTEE AMENDMENTS:

The committee amendments to this resolution are technical, rather than substantive. The committee intent in amending this proposed Constitutional amendment is to ensure that the right of a surviving spouse to the tax deduction is granted to an extent not greater nor lesser than where the land and dwelling both are owned.

There is no intent to make the deduction available where, in the case of a mobile home, the surviving spouse relocates the mobile home to a place other than the exact location on which the mobile home was situated when the deduction was first granted.

SENATE COMMITTEE AMENDMENTS TO

SENATE CONCURRENT RESOLUTION No. 90

STATE OF NEW JERSEY

ADOPTED MAY 5, 1980

Amend page 1, section 1, lines 6-7, omit "real property".

Amend page 1, section 1, line 7, after "property]", insert "on the real property".

Amend page 1, section 1, lines 12-14, omit ", on such dwelling house and, if owned by the owner of the dwelling house, the land on which it is situated," and insert "which is a constituent part of such real property or residing in a dwelling house owned by him which is assessed as real property but which is situated on land owned by another or others,".

Amend page 2, section 1, line 37, after "house", insert "situated on the same land".

Amend page 2, section 1, line 39, omit "land on which the dwelling house is situated," and insert "real property or with respect to the same dwelling house which is situated on land owned by another or others,".

[OFFICIAL COPY REPRINT]

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a. The Federal Social Security Act and all amendments and supplements thereto;

b. Any other program of the Federal Government or pursuant to any other Federal law which provides benefits in whole or in

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part in lieu of benefits referred to in, or for persons excluded from coverage under, a. hereof including but not limited to the Federal Railroad Retirement Act and Federal pension, disability and retirement programs; or

c. Pension, disability or retirement programs of any state or its political subdivisions, or agencies thereof, for persons not covered under a. hereof;

provided, however, that the total amount of benefits to be allowed exclusion by any owner under b. or c. hereof shall not be in excess of the maximum amount of benefits payable to, and allowable for exclusion by, an owner in similar circumstances under a. hereof.

The surviving spouse of a deceased citizen and resident of this State who during his or her life received a real property tax deduction pursuant to this paragraph shall be entitled, so long as he or she shall remain unmarried and a resident in the same dwelling house **situated on the same land** with respect to which said deduction was granted, to the same deduction, upon the same conditions, with respect to the same [real property] **[land on which the dwelling house is situated,]* *real property or with respect to the same dwelling house which is situated on land owned by another or others,** notwithstanding that said surviving spouse is under the age of 65 and is not permanently and totally disabled, provided that said surviving spouse is 55 years of age or older.

Any such deduction when so granted by law shall be granted so that it will not be in addition to any other deduction or exemption to which the said citizen and resident may be entitled, but said citizen and resident may receive in addition any homestead rebate or credit provided by law. The State shall annually reimburse each taxing district in an amount equal to one-half of the tax loss to the district resulting from the allowance of tax deductions pursuant to this paragraph.

2. When this proposed amendment to the Constitution is finally agreed to, pursuant to Article IX, paragraph 1 of the Constitution, it shall be submitted to the people at the next general election occurring more than 3 months after such final agreement and shall be published at least once in at least one newspaper of each county designated by the President of the Senate and the Speaker of the General Assembly and the Secretary of State, not less than 3 months prior to said general election.

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	Yes.	AUTHORIZE SENIOR OR DISABLED CITIZENS DEDUCTIONS ON REAL PROPERTY TAXES TO ANY ELIGIBLE OWNER-OCCUPANT OF A DWELLING HOUSE. Do you approve the amendment to the Constitution of the State of New Jersey, agreed to by the Legislature, providing that an annual deduction from real property taxes shall be accorded to any eligible senior citizen or permanently and totally disabled person, or eligible spouse, on an owner-occupied dwelling house, notwithstanding that the land on which the dwelling house is situated is not owned by the owner-occupant?
	No.	INTERPRETATIVE STATEMENT Approval of this amendment will allow eligible senior or disabled citizens to receive a real property tax deduction if they own and occupy and pay taxes on a dwelling house, including a mobile home, but do not own the land on which it is situated.