

GOVERNOR'S PRESS RELEASE ON SIGNING:

Yes

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:

No

NEWSPAPER ARTICLES:

No

RH/CL

P.L. 2021, CHAPTER 175, *approved July 22, 2021*
Senate, No. 956

1 AN ACT extending the veterans' property tax exemption to certain
2 veterans and amending and supplementing P.L.1948, c.259.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 4 of P.L.1948, c.259 (C.54:4-3.33) is amended to
8 read as follows:

9 4. "Dwelling house," as used in **[this act]** P.L.1948, c.259
10 (C.54:4-3.30 et seq.) , shall mean any one-family building or
11 structure or any **[unit]** apartment of a horizontal property regime
12 established pursuant to the "Horizontal Property Act,"
13 P.L.1963, c.168 (C.46:8A-1 et seq.) or any unit of a condominium
14 property established pursuant to the "Condominium Act,"
15 P.L.1969, c.257 (C.46:8B-1 et seq.) owned and occupied by a
16 claimant as his legal residence in this State, or any unit in a
17 cooperative established pursuant to "The Cooperative Recording
18 Act of New Jersey," P.L.1987, c.381 (C.46:8D-1 et seq.), or a
19 mutual housing corporation as defined in section 2 of
20 P.L.1990, c.61 (C.54:4-8.58), which is occupied by a claimant who
21 is a tenant shareholder in that cooperative or mutual housing
22 corporation as the claimant's legal residence in this State, or where
23 a multiple-family building or structure is owned by a claimant, then
24 that portion thereof which is occupied by the claimant as his legal
25 residence in this State, and includes any outhouses or appurtenances
26 belonging thereto or usually enjoyed therewith.

27 (cf: P.L.1977, c.293, s.1)

28
29 2. (New section) For the purposes of P.L.1948, c.259, (C.54:4-
30 3.30 et seq.) a tenant shareholder in a cooperative or mutual
31 housing corporation shall be entitled to an exemption from taxation
32 under that act only to the extent of his proportionate share of the
33 taxes assessed against the real property of the corporation or any
34 other entity holding title to that real property. The Director of the
35 Division of Taxation in the Department of the Treasury shall
36 promulgate regulations, in accordance with the "Administrative
37 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to: require
38 that the application for the exemption shall include the name and

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 address of the location of the property and the amount of real
2 property taxes attributed to the cooperative unit or mutual housing
3 residential unit; and ensure that the disabled veteran or surviving
4 spouse, as the case may be, is the sole beneficiary of the disabled
5 veterans' property tax exemption provided by P.L.1948, c.259
6 (C.54:4-3.30 et seq.).
7

8 3. This act shall take effect January 1 next following
9 enactment.
10

11
12 STATEMENT
13

14 This bill would extend the disabled veteran's property tax
15 exemption to disabled veteran shareholders and their surviving
16 spouses residing in a cooperative or mutual housing corporation
17 which is their legal residence. The disabled veteran's property tax
18 exemption is currently afforded to disabled veterans and their
19 surviving spouses who own and reside in a single-family home, a
20 portion of a multi-family home, a unit in a condominium or an
21 apartment in a horizontal property regime. Article VIII, Section I,
22 paragraph 3 of the New Jersey Constitution authorizes this tax
23 exemption.

24 Under the bill, the Director of the Division of Taxation would be
25 required to promulgate regulations to require that the application for
26 exemption include the name and address of the location of the
27 property and the amount of real property taxes attributed to the
28 cooperative unit or mutual housing residential unit, and to ensure
29 that the disabled veteran or surviving spouse is the sole beneficiary
30 of the disabled veteran's property tax exemption.
31

32

33

34

35

36

Extends veterans' property tax exemption to tenant shareholders
in cooperatives and mutual housing corporations.

CHAPTER 175
(CORRECTED COPY)

AN ACT extending the veterans' property tax exemption to certain veterans and amending and supplementing P.L.1948, c.259.

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

1. Section 4 of P.L.1948, c.259 (C.54:4-3.33) is amended to read as follows:

C.54:4-3.33 "Dwelling house" defined.

4. "Dwelling house," as used in P.L.1948, c.259 (C.54:4-3.30 et seq.), shall mean any one-family building or structure or any apartment of a horizontal property regime established pursuant to the "Horizontal Property Act," P.L.1963, c.168 (C.46:8A-1 et seq.) or any unit of a condominium property established pursuant to the "Condominium Act," P.L.1969, c.257 (C.46:8B-1 et seq.) owned and occupied by a claimant as his legal residence in this State, or any unit in a cooperative established pursuant to "The Cooperative Recording Act of New Jersey," P.L.1987, c.381 (C.46:8D-1 et seq.), or a mutual housing corporation as defined in section 2 of P.L.1990, c.61 (C.54:4-8.58), which is occupied by a claimant who is a tenant shareholder in that cooperative or mutual housing corporation as the claimant's legal residence in this State, or where a multiple-family building or structure is owned by a claimant, then that portion thereof which is occupied by the claimant as his legal residence in this State, and includes any outhouses or appurtenances belonging thereto or usually enjoyed therewith.

C.54:4-3.30a Exemption from taxation for certain tenants.

2. For the purposes of P.L.1948, c.259 (C.54:4-3.30 et seq.) a tenant shareholder in a cooperative or mutual housing corporation shall be entitled to an exemption from taxation under that act only to the extent of his proportionate share of the taxes assessed against the real property of the corporation or any other entity holding title to that real property. The Director of the Division of Taxation in the Department of the Treasury shall promulgate regulations, in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to: require that the application for the exemption shall include the name and address of the location of the property and the amount of real property taxes attributed to the cooperative unit or mutual housing residential unit; and ensure that the disabled veteran or surviving spouse, as the case may be, is the sole beneficiary of the disabled veterans' property tax exemption provided by P.L.1948, c.259 (C.54:4-3.30 et seq.).

3. This act shall take effect January 1 next following enactment.

Approved July 22, 2021.

SENATE, No. 956

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JANUARY 27, 2020

Sponsored by:

Senator CHRISTOPHER J. CONNORS
District 9 (Atlantic, Burlington and Ocean)
Senator BRIAN P. STACK
District 33 (Hudson)
Assemblywoman DIANNE C. GOVE
District 9 (Atlantic, Burlington and Ocean)
Assemblyman BRIAN E. RUMPF
District 9 (Atlantic, Burlington and Ocean)
Assemblyman JOHN ARMATO
District 2 (Atlantic)
Assemblyman VINCENT MAZZEO
District 2 (Atlantic)

Co-Sponsored by:

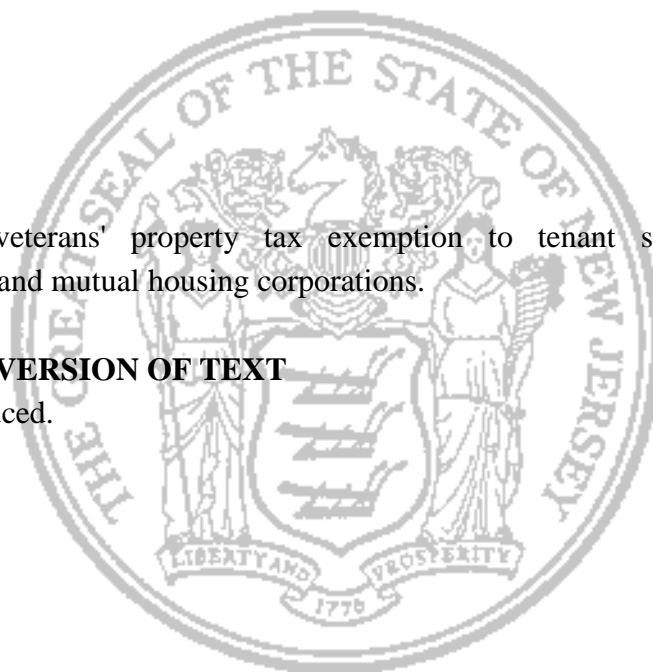
Senator O'Scanlon, Assemblywoman N.Munoz, Assemblyman Johnson, Assemblywomen DiMaso, Dunn, Assemblymen Mukherji, Mejia, Catalano, McGuckin, Assemblywoman Jimenez, Assemblymen Space, Wirths, Assemblywomen Vainieri Huttel, Swain and Assemblyman Tully

SYNOPSIS

Extends veterans' property tax exemption to tenant shareholders in cooperatives and mutual housing corporations.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/20/2021)

1 AN ACT extending the veterans' property tax exemption to certain
2 veterans and amending and supplementing P.L.1948, c.259.

3

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

6

7 1. Section 4 of P.L.1948, c.259 (C.54:4-3.33) is amended to
8 read as follows:

9 4. "Dwelling house," as used in **[this act]** P.L.1948, c.259
10 (C.54:4-3.30 et seq.) , shall mean any one-family building or
11 structure or any **[unit]** apartment of a horizontal property regime
12 established pursuant to the "Horizontal Property Act,"
13 P.L.1963, c.168 (C.46:8A-1 et seq.) or any unit of a condominium
14 property established pursuant to the "Condominium Act,"
15 P.L.1969, c.257 (C.46:8B-1 et seq.) owned and occupied by a
16 claimant as his legal residence in this State, or any unit in a
17 cooperative established pursuant to "The Cooperative Recording
18 Act of New Jersey," P.L.1987, c.381 (C.46:8D-1 et seq.), or a
19 mutual housing corporation as defined in section 2 of
20 P.L.1990, c.61 (C.54:4-8.58), which is occupied by a claimant who
21 is a tenant shareholder in that cooperative or mutual housing
22 corporation as the claimant's legal residence in this State, or where
23 a multiple-family building or structure is owned by a claimant, then
24 that portion thereof which is occupied by the claimant as his legal
25 residence in this State, and includes any outhouses or appurtenances
26 belonging thereto or usually enjoyed therewith.

27 (cf: P.L.1977, c.293, s.1)

28

29 2. (New section) For the purposes of P.L.1948, c.259, (C.54:4-
30 3.30 et seq.) a tenant shareholder in a cooperative or mutual
31 housing corporation shall be entitled to an exemption from taxation
32 under that act only to the extent of his proportionate share of the
33 taxes assessed against the real property of the corporation or any
34 other entity holding title to that real property. The Director of the
35 Division of Taxation in the Department of the Treasury shall
36 promulgate regulations, in accordance with the "Administrative
37 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to: require
38 that the application for the exemption shall include the name and
39 address of the location of the property and the amount of real
40 property taxes attributed to the cooperative unit or mutual housing
41 residential unit; and ensure that the disabled veteran or surviving
42 spouse, as the case may be, is the sole beneficiary of the disabled
43 veterans' property tax exemption provided by P.L.1948, c.259
44 (C.54:4-3.30 et seq.).

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 3. This act shall take effect January 1 next following
2 enactment.

3

4

5

STATEMENT

6

7 This bill would extend the disabled veteran's property tax
8 exemption to disabled veteran shareholders and their surviving
9 spouses residing in a cooperative or mutual housing corporation
10 which is their legal residence. The disabled veteran's property tax
11 exemption is currently afforded to disabled veterans and their
12 surviving spouses who own and reside in a single-family home, a
13 portion of a multi-family home, a unit in a condominium or an
14 apartment in a horizontal property regime. Article VIII, Section I,
15 paragraph 3 of the New Jersey Constitution authorizes this tax
16 exemption.

17 Under the bill, the Director of the Division of Taxation would be
18 required to promulgate regulations to require that the application for
19 exemption include the name and address of the location of the
20 property and the amount of real property taxes attributed to the
21 cooperative unit or mutual housing residential unit, and to ensure
22 that the disabled veteran or surviving spouse is the sole beneficiary
23 of the disabled veteran's property tax exemption.

ASSEMBLY MILITARY AND VETERANS' AFFAIRS
COMMITTEE

STATEMENT TO

SENATE, No. 956

STATE OF NEW JERSEY

DATED: MARCH 15, 2021

The Assembly Military and Veterans' Affairs Committee reports favorably Senate Bill No. 956.

This bill extends the complete exemption from property taxes for totally disabled veterans and their surviving spouses to residents of cooperative or mutual housing corporations. Current law exempts disabled veterans or their surviving spouses who own and reside in a single-family home, a portion of a multi-family home, a unit in a condominium or an apartment in a horizontal property regime.

This bill also clarifies that the extension of this exemption applies only to a unit in a cooperative or mutual housing corporation which is the legal residence in this State of a disabled veteran tenant shareholder or the veteran's surviving spouse.

The bill requires the Director of the Division of Taxation to promulgate regulations that: require that the application for the exemption includes the name and address of the location of the property and the amount of real property taxes attributed to the cooperative unit or mutual housing residential unit; and ensure that the disabled veteran or surviving spouse is the sole beneficiary of the exemption. A cooperative or mutual housing corporation actually pays the property tax; the veteran or the surviving spouse, as a tenant shareholder, indirectly pays a portion of the property tax through a monthly fee. The regulations will help ensure that the taxpaying entity passes along the entire amount of the tax savings to the veteran or surviving spouse.

Senate Bill No. 956 is identical to Assembly Bill No. 911(1R) of 2020-2021.

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 956

STATE OF NEW JERSEY

DATED: JULY 16, 2020

The Senate Community and Urban Affairs Committee reports favorably Senate Bill No. 956.

This bill extends the complete exemption from property taxes for totally disabled veterans and their surviving spouses to residents of cooperative or mutual housing corporations. Current law exempts disabled veterans or their surviving spouses who own and reside in a single-family home, a portion of a multi-family home, a unit in a condominium or an apartment in a horizontal property regime.

This bill also clarifies that the extension of this exemption applies only to a unit in a cooperative or mutual housing corporation which is the legal residence in this State of a disabled veteran tenant shareholder or the veteran's surviving spouse.

The bill requires the Director of the Division of Taxation to promulgate regulations that: require that the application for the exemption includes the name and address of the location of the property and the amount of real property taxes attributed to the cooperative unit or mutual housing residential unit; and ensure that the disabled veteran or surviving spouse is the sole beneficiary of the exemption. A cooperative or mutual housing corporation actually pays the property tax; the veteran or the surviving spouse, as a tenant shareholder, indirectly pays a portion of the property tax through a monthly fee. The regulations will help ensure that the taxpaying entity passes along the entire amount of the tax savings to the veteran or surviving spouse.

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 956
STATE OF NEW JERSEY
219th LEGISLATURE

DATED: AUGUST 3, 2020

SUMMARY

- Synopsis:** Extends veterans' property tax exemption to tenant shareholders in cooperatives and mutual housing corporations.
- Type of Impact:** Annual local government revenue decrease.
- Agencies Affected:** Department of the Treasury; local government units (i.e., counties, municipalities, and school districts).

Office of Legislative Services Estimate

Fiscal Impact	
Annual Local Government Revenue Decrease	Indeterminate

- The Office of Legislative Services (OLS) estimates that the bill would decrease annual property tax collections of local government units, all other factors being equal. The OLS is unable to quantify the annual revenue loss, given an absence of data from which the OLS could extrapolate the amount of property taxes currently paid by taxpayers who would become newly eligible for a complete property tax exemption, notably totally and permanently disabled veterans and their surviving spouses living in cooperatives and mutual housing corporations.
- Local governments may compensate for their reduced tax base by increasing tax rates on the remaining property tax base.

BILL DESCRIPTION

Effective as of January 1 next following enactment, this bill would exempt from property taxes totally and permanently disabled veterans and their surviving spouses who occupy a unit in a cooperative or mutual housing corporation in which they are tenant shareholders. The Division of Taxation in the Department of the Treasury is to promulgate the necessary implementing regulations. As cooperatives and mutual housing corporations are the actual payers of property taxes, the regulations are to include provisions that would require cooperatives and mutual housing corporations to pass the full amount of the property tax exemption on to the tenant shareholder who qualified for the benefit.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the bill would decrease annual property tax collections of local government units (i.e., counties, municipalities, and school districts) by an indeterminate amount, all other factors being equal. Irrespective of the specific scale of the annual revenue loss, the OLS notes that local governments may compensate for their reduced tax base by increasing tax rates on the remaining property tax base.

Specifically, local government units would experience revenue losses in the form of property taxes that are not paid by totally and permanently disabled veterans and their surviving spouses who are granted a property tax exemption and living in a cooperative or mutual housing corporation. The OLS has no data on their number and property tax liabilities.

According to a 2015 OLS document, the Department of Community Affairs reported that there were approximately 19,000 cooperative housing units in New Jersey. Information on the number of persons living in these units who have been certified as having a service-connected total and permanent wartime disability is not available.

Department of Community Affairs data show that under current law 12,440 property tax exemptions were granted to qualified totally and permanently disabled veterans and their surviving spouses in calendar year 2019, worth \$97.0 million, or \$7,795 on average.

Section: Local Government
Analyst: Benjamin A. Levy
Assistant Fiscal Analyst
Approved: Frank W. Haines III
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

ASSEMBLY, No. 911

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblywoman DIANNE C. GOVE

District 9 (Atlantic, Burlington and Ocean)

Assemblyman BRIAN E. RUMPF

District 9 (Atlantic, Burlington and Ocean)

Assemblyman JOHN ARMATO

District 2 (Atlantic)

Assemblyman VINCENT MAZZEO

District 2 (Atlantic)

Co-Sponsored by:

Assemblywoman N.Munoz, Assemblyman Johnson, Assemblywomen DiMaso, Dunn and Assemblyman Mukherji

SYNOPSIS

Extends veterans' property tax exemption to tenant shareholders in cooperatives and mutual housing corporations.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 3/8/2021)

1 AN ACT extending the veterans' property tax exemption to certain
2 veterans and amending, and supplementing P.L.1948, c.259.

3

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

6

7 1. Section 4 of P.L.1948, c.259 (C.54:4-3.33) is amended to
8 read as follows:

9 4. "Dwelling house," as used in **[this act]** P.L.1948,
10 c.259 (C.54:4-3.30 et seq.) , shall mean any one-family building or
11 structure or any unit of a horizontal property regime established
12 pursuant to the "Horizontal Property Act," P.L.1963,
13 c.168 (C.46:8A-1 et seq.) or any unit of a condominium property
14 established pursuant to the "Condominium Act," P.L.1969,
15 c.257 (C.46:8B-1 et seq.) owned and occupied by a claimant as his
16 legal residence in this State, or any unit in a cooperative as defined
17 in "The Cooperative Recording Act of New Jersey," P.L.1987,
18 c.381 (C.46:8D-1 et seq.), or a mutual housing corporation as
19 defined in section 2 of P.L.1990, c.61 (C.54:4-8.58), which is
20 occupied by a claimant who is a tenant shareholder in that
21 cooperative or mutual housing corporation as the claimant's legal
22 residence in this State, or where a multiple-family building or
23 structure is owned by a claimant, then that portion thereof which is
24 occupied by the claimant as his legal residence in this State, and
25 includes any outhouses or appurtenances belonging thereto or
26 usually enjoyed therewith.

27 (cf: P.L.1977, c.293, s.1)

28

29 2. (New section) For the purposes of P.L.1948, c.259, (C.54:4-
30 3.30 et seq.) a tenant shareholder in a cooperative or mutual
31 housing corporation shall be entitled to an exemption from taxation
32 under that act only to the extent of his proportionate share of the
33 taxes assessed against the real property of the corporation or any
34 other entity holding title to that real property. The Director of the
35 Division of Taxation in the Department of the Treasury shall
36 promulgate regulations, in accordance with the "Administrative
37 Procedure Act", P.L.1968, c.410 (C.52:14B-1 et seq.) to: require
38 that the application for the exemption shall include the name and
39 address of the location of the property and the amount of real
40 property taxes attributed to the cooperative unit or mutual housing
41 residential unit; and to ensure that the disabled veteran or surviving
42 spouse, as the case may be, is the sole beneficiary of the disabled
43 veterans' property tax exemption provided by P.L.1948,
44 c.259 (C.54:4-3.30 et seq.).

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 3. This act shall take effect January 1 next following
2 enactment.

3

4

5

STATEMENT

6

7 This bill extends the complete exemption from property taxes for
8 totally disabled veterans and their surviving spouses to residents of
9 cooperative or mutual housing corporations. Current law exempts
10 disabled veterans or their surviving spouses who own and reside in
11 a single-family home, a portion of a multi-family home, a unit in a
12 condominium or an apartment in a horizontal property regime.

13 This bill also clarifies that the extension of this exemption
14 applies only to a unit in a cooperative or mutual housing
15 corporation which is the legal residence in this State of a disabled
16 veteran tenant shareholder or the veteran's surviving spouse.

17 The bill requires the Director of the Division of Taxation to
18 promulgate regulations that: require that the application for the
19 exemption includes the name and address of the location of the
20 property and the amount of real property taxes attributed to the
21 cooperative unit or mutual housing residential unit; and ensure that
22 the disabled veteran or surviving spouse is the sole beneficiary of
23 the exemption. A cooperative or mutual housing corporation
24 actually pays the property tax; the veteran or the surviving spouse,
25 as a tenant shareholder, indirectly pays a portion of the property tax
26 through a monthly fee. The regulations will help ensure that the
27 taxpaying entity passes along the entire amount of the tax savings to
28 the veteran or surviving spouse.

ASSEMBLY MILITARY AND VETERANS' AFFAIRS
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 911

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 15, 2021

The Assembly Military and Veterans' Affairs Committee reports favorably and with committee amendments Assembly Bill No. 911.

As amended, this extends the complete exemption from property taxes for totally disabled veterans and their surviving spouses to residents of cooperative or mutual housing corporations. Current law exempts disabled veterans or their surviving spouses who own and reside in a single-family home, a portion of a multi-family home, a unit in a condominium or an apartment in a horizontal property regime.

This bill also clarifies that the extension of this exemption applies only to a unit in a cooperative or mutual housing corporation which is the legal residence in this State of a disabled veteran tenant shareholder or the veteran's surviving spouse.

The bill requires the Director of the Division of Taxation to promulgate regulations that: require that the application for the exemption includes the name and address of the location of the property and the amount of real property taxes attributed to the cooperative unit or mutual housing residential unit; and ensure that the disabled veteran or surviving spouse is the sole beneficiary of the exemption. A cooperative or mutual housing corporation actually pays the property tax; the veteran or the surviving spouse, as a tenant shareholder, indirectly pays a portion of the property tax through a monthly fee. The regulations will help ensure that the taxpaying entity passes along the entire amount of the tax savings to the veteran or surviving spouse.

This bill was pre-filed for introduction in the 2020-2021 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

Assembly Bill No. 911(1R) is identical to Senate Bill No. 956 of 2020-2021.

COMMITTEE AMENDMENTS:

The committee amended the bill to make it identical to its Senate counterpart.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 911

STATE OF NEW JERSEY 219th LEGISLATURE

DATED: MAY 20, 2021

SUMMARY

- Synopsis:** Extends veterans' property tax exemption to tenant shareholders in cooperatives and mutual housing corporations.
- Type of Impact:** Annual local government revenue decrease.
- Agencies Affected:** Department of the Treasury; local government units (i.e., counties, municipalities, and school districts).

Office of Legislative Services Estimate

Fiscal Impact	
Annual Local Government Revenue Decrease	Indeterminate

- The Office of Legislative Services (OLS) estimates that the bill would decrease annual property tax collections of local government units, all other factors being equal. The OLS is unable to quantify the annual revenue loss, given an absence of data from which the OLS could extrapolate the amount of property taxes currently paid by taxpayers who would become newly eligible for a complete property tax exemption, notably totally and permanently disabled veterans and their surviving spouses living in cooperatives and mutual housing corporations.
- Local governments may compensate for their reduced tax base by increasing tax rates on the remaining property tax base.

BILL DESCRIPTION

Effective as of January 1 next following enactment, this bill would exempt from property taxes totally and permanently disabled veterans and their surviving spouses who occupy a unit in a cooperative or mutual housing corporation in which they are tenant shareholders. The Division of Taxation in the Department of the Treasury is to promulgate the necessary implementing regulations. As cooperatives and mutual housing corporations are the actual payers of property taxes, the regulations are to include provisions that would require cooperatives and mutual housing corporations to pass the full amount of the property tax exemption on to the tenant shareholder who qualified for the benefit.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the bill would decrease annual property tax collections of local government units (i.e., counties, municipalities, and school districts) by an indeterminate amount, all other factors being equal. Irrespective of the specific scale of the annual revenue loss, the OLS notes that local governments may compensate for their reduced tax base by increasing tax rates on the remaining property tax base.

Specifically, local government units would experience revenue losses in the form of property taxes that are not paid by totally and permanently disabled veterans and their surviving spouses who are granted a property tax exemption and living in a cooperative or mutual housing corporation. The OLS has no data on their number and property tax liabilities.

According to a 2015 OLS document, the Department of Community Affairs reported that there were approximately 19,000 cooperative housing units in New Jersey. Information on the number of persons living in these units who have been certified as having a service-connected total and permanent wartime disability is not available.

Department of Community Affairs data show that under current law 12,440 property tax exemptions were granted to qualified totally and permanently disabled veterans and their surviving spouses in calendar year 2019, worth \$97.0 million, or \$7,795 on average.

Section: Local Government

*Analyst: Benjamin A. Levy
Assistant Fiscal Analyst*

*Approved: Thomas Koenig
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

Governor Murphy Signs Legislation Supporting Veterans and Servicemembers

07/22/2021

Legislative Package Supports Veterans Seeking Higher Education, Expands Access to Disabled Veterans' Property Tax Exemption, and Establishes an Annual Grant Program for Institutions Offering Substantial Veterans Services

TRENTON – Governor Murphy today signed legislation (S-278, S-956, and S-961) which supports New Jersey veterans and servicemembers and grants them easier access to higher education, expands access to the disabled veterans' property tax exemption, and establishes an annual grant program within the Troops to College Program to recognize institutions of higher education that offer extensive veteran programs and services.

“Our veterans and servicemembers have put their lives on the line for their state and for their country,” **said Governor Murphy**. “The least we can do for them is to make their lives easier by expanding access to higher education, broadening eligibility for the disabled veterans' property tax exemption, and encouraging higher education institutions to provide needed services. This legislation will doubtlessly help our veterans and servicemembers in their civilian lives and recognize their service properly.”

“This trio of bills signed by the Governor affirms New Jersey's commitment to our Veterans,” **said Brigadier General Lisa J. Hou, D.O., The Adjutant General and Commissioner of the Department of Military and Veterans Affairs**. “One bill will provide grants to institutions of higher education that assist veterans with programs and services. Tenant shareholders in cooperatives and mutual housing corporations can finally use the property tax exemption that homeowners have used for years. Uniformed service members attending public colleges now have additional rights, such as extended registration time each semester, so they can continue their education while fulfilling their military obligations.”

S-278 broadens the scope of existing law to benefit a wider military community that includes servicemembers who are unable to complete a course due to deployment, mobilization, reassignment, or other military obligation. The bill directs each public institution of higher education to establish policies and procedures to refund course tuition and fees and permit the late registration of students who are veterans or servicemembers affected by deployment, mobilization, reassignment, or other military obligation. Under the bill, the institution cannot charge a late fee or similar penalty on a registration submitted pursuant to the bill's provisions.

Primary sponsors for S-278 include Senators Tom Kean, Jr. and Sandra Cunningham, and Assemblymembers Sterley Stanley, Wayne DeAngelo, and Joseph Daniels.

“New Jersey is becoming more accommodating to the brave men and women who are willing to put their lives on the line to protect our freedoms,” **said Senator Tom Kean, Jr.** “It is challenging enough to work and attend classes, but for those in the military, juggling schedules and managing deadlines is even more cumbersome. The new law will ease some of the burden of earning college credits for members of the military by offering them the flexibility when registering for classes or when military obligations conflict with course schedules.”

“Our active duty military have already given so much, and it is only right we provide them the flexibility they need to pursue a degree,” **said Senator Sandra Cunningham**. “This law will provide for late registration and allow service members to waive course fees if called to duty, making earning a degree

that much more accessible for those in our armed forces.”

“Our military members have to put their plans on hold when they are called to duty in service of this country,” **said Assemblyman Sterley Stanley**. “We should honor their personal sacrifice by making sure the education they received before leaving to fulfill their military responsibilities was not in vain, by allowing them to receive an applicable grade or pick up where they left off upon their return.”

“Students who cannot complete a semester because they have an unexpected, simultaneous obligation to the military deserve the opportunity to earn the educational credits they were working towards before being called away,” **said Assemblyman Wayne DeAngelo**. “It is only fair we allow these service members to have their hard work recognized and any educational fees for services they did not actually get to use be returned to them by their university.”

“This law will greatly benefit military members who are seeking a degree from one of New Jersey’s schools,” **said Assemblyman Joseph Danielsen**. “Everyone deserves the opportunity to work towards achieving a higher education, which is why we must accommodate the unique needs of students who may have their semester interrupted in order to serve in our armed forces.”

S-956 exempts from property taxes totally and permanently disabled veterans and their surviving spouses who occupy a unit in a cooperative or mutual housing corporation in which they are tenant shareholders. The bill requires the Division of Taxation to promulgate the necessary implementing regulations which will include provisions that would require cooperatives and mutual housing corporations to pass the full amount of the property tax exemption on to the tenant shareholder who qualified for the benefit.

Primary sponsors for S-956 include Senators Christopher Connors and Brian Stack, and Assemblymembers DiAnne Gove, Brian Rumpf, John Armato, and Vincent Mazzeo.

“For too long, certain disabled veterans were wrongly denied significant property tax relief they deserved due a legal technicality. That changes with the enactment of this bill that advanced with strong bipartisan support,” **said Senator Christopher Connors, Assemblyman Brian Rumpf, and Assemblywoman DiAnne Gove, in a joint statement**.

“By extending the disabled veteran’s property tax exemption to disabled veterans and their surviving spouses that are residents of cooperatives or mutual housing corporations, we can ensure that more of our veterans can reap this benefit,” **said Senator Brian Stack**. “Our veterans put their lives on the line to protect our country, and this extension will be a valuable aid for many more living within our state.”

“Cooperative and mutual housing corporations offer a less expensive alternative to homeownership than being the sole owner of a house, condo or apartment. With many disabled veterans facing significant financial challenges, affordable housing is a critical need that co-ops and mutual housing groups can fill,” **said Assemblymen John Armato and Vincent Mazzeo in a joint statement**. “Since residents of these jointly-owned buildings must pay a share of the property tax, it’s only fair disabled veterans in these residences receive the same tax exemption as fellow veterans living in more traditional homes.”

S-961 creates an annual grant program within the Troops to College Program. The grant program will be developed by the Secretary of Higher Education in consultation with the Department of Military and Veterans’ Affairs. The Secretary will annually select up to three institutions of higher education, public or private, to receive a \$150,000 Troops to College Grant. In order to receive a grant, an institution must demonstrate that it is offering a comprehensive array of services, benefits, and programs to veterans attending the institution.

Primary sponsors for S-961 include Senators Troy Singleton and Nilsa Cruz-Perez, and Assemblymembers John Armato, Andrew Zwicker, and Anthony Verrelli.

“The benefits of this law are two-fold. It recognizes and supports those institutions of higher education in New Jersey that are working to make a college education more accessible to our veterans and most importantly it expands the services they are able to provide,” **said Senator Nilsa Cruz-Perez.** “We owe these men and women a great debt of gratitude for their service to our nation. Expanding their education opportunities is good for them, good for our state and good for our society.”

“Since the Post-9/11 GI Bill was enacted in 2008, New Jersey’s premier colleges and universities have been doing a great job helping our veterans obtain a higher education, finish their degree programs, find employment upon graduation, and most importantly, transition into civilian life again. Yet, there is always more we can do,” **said Senator Troy Singleton.** “This law will expand upon the existing Troops to College Grant Program to further promote and bolster educational opportunities for the men and women who served our country honorably in the Armed Forces.”

“The transition from military service to civilian life can be challenging for many veterans. Higher education can help provide a path forward for veterans as they pursue careers after they leave the service. However, it’s critical for colleges and universities to be equipped with essential services to address the unique needs of veterans,” **said Assemblymen John Armato, Andrew Zwicker and Anthony Verrelli in a joint statement.** “This law will strengthen the efforts of colleges participating in the Troops to College Program, including orientation programs, faculty training, veterans benefit counseling, adaptive learning technologies, and career planning services. This is another small way we can express our gratitude and appreciation for the service of New Jersey’s brave soldiers.”

This Week in NJ: July 23rd, 2021

07/23/2021



Governor Murphy Signs Legislation to Provide \$135 Million in Small Business Relief

Governor Murphy signed legislation (S-3982) providing additional aid to small businesses as New Jersey continues to provide support to small businesses as they recover from the pandemic. The bill provides \$135 million to small businesses throughout the state and will be administered by the Economic Development Authority as part of its Phase IV Emergency Grant Program and NJ Community Stage Relief Grant Program.

“As small businesses throughout New Jersey continue to struggle from the economic aftermath of COVID-19, we remain committed to providing them with the resources they need to recover,” **said Governor Murphy.**

“Together with our partners at the federal level, the EDA and other departments have provided more than three quarters of a billion dollars to our small business community as we emerge from the pandemic stronger and more resilient.”

[READ MORE](#)

Governor Murphy Signs Package of Bills Advancing New Jersey as National Leader in Lead Poisoning Prevention

Governor Phil Murphy reaffirmed his commitment to address lead exposure in New Jersey and its harmful effects on public health and child development by signing a package of bills aimed protecting New Jersey's families from lead poisoning.



“In October of 2019, I put forth a multifaceted statewide plan to protect New Jersey’s children and families from the dangers of lead, and today, we are taking a significant step forward in our strategy to reduce lead exposure in our homes,” **said Governor Murphy.** “Modernizing our aging water infrastructure with new lead services lines is critical in ensuring safe drinking water flows through our communities. In addition to replacing service lines, we must also go further to protect those in older homes and apartments where door jambs and window sashes may be coated in decades of layers of lead-based paints, creating fine particulates that are unknowingly inhaled and ingested. Today, we are taking the most aggressive action in the nation to reduce lead-based paint exposure in our homes and communities, which is a critical victory for public health and environmental justice, and advances New Jersey as a national leader in lead poisoning prevention.”

[READ MORE](#)

Governor Murphy Signs Legislation Supporting Veterans and Servicemembers

Governor Murphy signed legislation (S-278, S-956, and S-961) which supports New Jersey veterans and servicemembers and grants them easier access to higher education, expands access to the disabled veterans’ property tax exemption, and establishes an annual grant program within the Troops to College Program to recognize institutions of higher education that offer extensive veteran programs and services.

“Our veterans and servicemembers have put their lives on the line for their state and for their country,” **said Governor Murphy.** “The least we can do for them is to make their lives easier by expanding access to higher education, broadening eligibility for the disabled veterans’ property tax exemption, and encouraging higher education institutions to provide needed services. This legislation will doubtlessly help our veterans and servicemembers in their civilian lives and recognize their service properly.”

[READ MORE](#)

Governor Murphy Signs Legislation to Expand Civics Instruction in Schools

Governor Phil Murphy signed legislation (S854) requiring civics instruction at the middle school level. Currently, New Jersey is one of a minority of states which does not require civics instruction for middle school students.

“By deepening civics instruction in middle school and high school, we are giving students the tools they need to be more engaged and informed citizens,” **said Governor Murphy**. “An understanding of civics strengthens our democracy by ensuring an understanding of the role that everyone plays in the future of their community, our state, and our nation. I am proud to sign this bill into law and honor Laura Wooten’s incredible civic legacy.”

[READ MORE](#)


Governor Murphy and Lieutenant Governor Oliver Announce Appointment of State Senator Chris A. Brown, Esq. to the Department of Community Affairs' Division of Local Government Services

Governor Phil Murphy and Lieutenant Governor Sheila Oliver announced that State Senator Chris A. Brown, Esq. will join the Department of Community Affairs' Division of Local Government Services as the Senior Advisor for Atlantic City Affairs, a newly created role in the Department. In this position, Brown will spearhead State initiatives in Atlantic City, including efforts to improve public safety, diversify the economy and create jobs, and improve social services.



“Chris is deeply committed to improving the lives of those who call Atlantic City home, and he will be a tremendous asset for the Administration as we further strengthen the Atlantic City economy and improve quality of life,” **said Governor Murphy.** “I look forward to working together to address issues like economic growth and public safety. With Chris in this new role, and with Sheila at the helm of DCA, the future of Atlantic City has never looked brighter.”

[READ MORE](#)