



S1285

<b>INTRODUCED BILL:</b> (Includes sponsor(s) statement)	Yes	
<b>REPRINT(S):</b>	No	
<b>TECHNICAL REVIEW OF BILL:</b>	Yes	SSG 10/24/24 TR
<b>COMMITTEE STATEMENT:</b>		
<b>ASSEMBLY:</b>	No	
<b>SENATE:</b>	Yes	State Gov't, Wagering, Tourism & Hist. Pres. Budget & Appropriations

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at [www.njleg.state.nj.us](http://www.njleg.state.nj.us))

<b>FLOOR AMENDMENT STATEMENT:</b>	No
<b>LEGISLATIVE FISCAL ESTIMATE:</b>	Yes
<b>VETO MESSAGE:</b>	No
<b>GOVERNOR'S PRESS RELEASE ON SIGNING:</b>	Yes
<b>LEGISLATOR STATEMENT:</b>	No

**FOLLOWING WERE PRINTED:**

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<b>REPORTS:</b>	No
<b>HEARINGS:</b>	Yes

Committee Meeting of Senate State Government, Wagering, Tourism, and Historic Preservation Committee. Assembly Tourism, Gaming, and the Arts Committee. "The Committees will receive testimony from invited speakers on the topic of online sports betting and its impact on the state" October, 24 2024  
<https://hdl.handle.net/10929/145019>

<b>NEWSPAPER ARTICLES:</b>	No
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CL/MMcB

P.L. 2025, CHAPTER 24, *approved March 6, 2025*  
Assembly, No. 1672

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

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

6  
7 1. Section 1 of P.L.1997, c.348 (C.54:4-8.67) is amended to read  
8 as follows:

9 1. As used in this act:

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

24 "Commissioner" means the Commissioner of Community Affairs.

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

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

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

35 "Disabled person" means an individual receiving monetary  
36 payments pursuant to Title II of the federal Social Security Act (42  
37 U.S.C. s.401 et seq.), or receiving disability payments pursuant to the  
38 federal Railroad Retirement Act, 45 U.S.C. s.231 et seq., on December  
39 31, 1998, or on December 31 in all or any part of the year for which a  
40 homestead property tax reimbursement under this act is claimed.

**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 "Dwelling house" means any residential property assessed as real  
2 property which consists of not more than four units, of which not more  
3 than one may be used for commercial purposes, but shall not include a  
4 unit in a condominium, cooperative, horizontal property regime or  
5 mutual housing corporation.

6 "Eligible claimant" means a person who:

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

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

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

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

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 P.L.1997,  
26 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 to  
29 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 beginning  
32 the second full tax year following a move to another homestead in  
33 New Jersey, despite not meeting the three-year minimum residency  
34 and ownership requirement required for initial claimants under this  
35 paragraph; provided that the person satisfies the income eligibility  
36 limits for the tax year. Provided however, eligibility beginning in a  
37 second full tax year after such a move shall not apply to tax years  
38 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 domicile  
42 and is owned and used by the eligible claimant as the eligible  
43 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 common  
46 ownership and control for the purpose of leasing each site to the owner  
47 of a manufactured or mobile home for the installation thereof and such

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

3 a dwelling house situated on land owned by a person other than the  
4 eligible claimant which constitutes the place of the eligible claimant's  
5 domicile and is owned and used by the eligible claimant as the eligible  
6 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 of  
9 the eligible claimant's domicile and is owned and used by the eligible  
10 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 if  
13 that person is a tenant for life or a tenant under a lease for 99 years or  
14 more, is entitled to and actually takes possession of the homestead  
15 under an executory contract for the sale thereof or under an agreement  
16 with a lending institution which holds title as security for a loan, or is a  
17 resident of a continuing care retirement community pursuant to a  
18 contract for continuing care for the life of that person which requires  
19 the resident to bear, separately from any other charges, the  
20 proportionate share of property taxes attributable to the unit that the  
21 resident occupies;

22 a unit in a cooperative or mutual housing corporation which  
23 constitutes the place of domicile of a residential shareholder or lessee  
24 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 constituting  
29 property tax due and paid in any year on any homestead, exclusive of  
30 improvements not included in the assessment on the real property for  
31 the base year, and the amount of property tax or site fee constituting  
32 property tax due and paid in the base year, when the amount paid in  
33 the base year is the lower amount; but such calculations shall be  
34 reduced by any current year property tax reductions or reductions in  
35 site fees constituting property taxes resulting from judgments entered  
36 by county boards of taxation or the State Tax Court.

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

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

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

45 (2) Is built on a permanent chassis;

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

1 (4) Is manufactured in accordance with the standards promulgated  
2 for a manufactured home by the Secretary of the United States  
3 Department of Housing and Urban Development pursuant to the  
4 "National Manufactured Housing Construction and Safety Standards  
5 Act of 1974," Pub.L.93-383 (42 U.S.C. s.5401 et seq.) and the  
6 standards promulgated for a manufactured or mobile home by the  
7 commissioner pursuant to the "State Uniform Construction Code Act,"  
8 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 each  
13 site to the owner of a manufactured or mobile home for the installation  
14 thereof, and where the owner or owners provide services, which are  
15 provided by the municipality in which the park is located for property  
16 owners outside the park, which services may include but shall not be  
17 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 amended,  
28 which acquired a National Defense Housing Project pursuant to that  
29 act.

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

32 "Principal residence" means a homestead actually and continually  
33 occupied by an eligible claimant as his or her permanent residence, as  
34 distinguished from a vacation home, property owned and rented or  
35 offered for rent by the claimant, and other secondary real property  
36 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 credit  
39 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 and  
41 penalties for delinquent taxes. For the sole purpose of qualifying for a  
42 benefit under P.L.1997, c.348 (C.54:4-8.67 et seq.), property taxes  
43 paid by June 1 of the year following the year for which the benefit is  
44 claimed will be deemed to be timely paid.

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

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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11 \_\_\_\_\_  
12 Makes disabled persons receiving disability payments pursuant  
13 to federal Railroad Retirement Act eligible to receive homestead  
property tax reimbursement.

## CHAPTER 24

**AN ACT** concerning eligibility to receive a homestead property tax reimbursement and amending P.L.1997, c.348.

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

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

C.54:4-8.67 Definitions relative to homestead property tax reimbursement.

1. As used in P.L.1997, c.348 (C.54:4-8.67 et seq.):

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

"Commissioner" means the Commissioner of Community Affairs.

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

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

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

"Disabled person" means an individual receiving monetary payments pursuant to Title II of the federal Social Security Act (42 U.S.C. s.401 et seq.), or receiving disability payments pursuant to the federal Railroad Retirement Act, 45 U.S.C. s.231 et seq., on December 31, 1998 or on December 31 in all or any part of the year for which a homestead property tax reimbursement under this act is claimed.

"Dwelling house" means any residential property assessed as real property which consists of not more than four units, of which not more than one may be used for commercial purposes, but shall not include a unit in a condominium, cooperative, horizontal property regime, or mutual housing corporation.

"Eligible claimant" means a person who:

is 65 or more years of age on or before December 31 of any tax year for which a homestead property tax reimbursement is sought, or who is a disabled person;

is an owner of a homestead or the lessee of a site in a mobile home park on which site the applicant owns a manufactured or mobile home for the entire tax year for which a homestead property tax reimbursement is sought;

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

has an annual income of \$60,000 or less in tax year 2007, \$70,000 or less in tax year 2008, or \$80,000 or less in tax year 2009, if single or married, which income eligibility limits shall be subject to adjustments in tax years 2010 through 2021 pursuant to section 9 of P.L.1997, c.348 (C.54:4-8.68);

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

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

"Homestead" means:

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

a site in a mobile home park equipped for the installation of manufactured or mobile homes, where these sites are under common ownership and control for the purpose of leasing each site to the owner of a manufactured or mobile home for the installation thereof and such site is used by the eligible claimant as the eligible claimant's principal residence;

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

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

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

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

"Homestead property tax reimbursement" means payment of the difference between the amount of property tax or site fee constituting property tax due and paid in any year on any homestead, exclusive of improvements not included in the assessment on the real property for the base year, and the amount of property tax or site fee constituting property tax due and paid in the base year, when the amount paid in the base year is the lower amount, but such

calculations shall be reduced by any current year property tax reductions or reductions in site fees constituting property taxes resulting from judgments entered by county boards of taxation or the State Tax Court.

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

"Income" means all New Jersey gross income required to be reported pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., before the application of any authorized exclusion or deduction, except also including: interest income excluded from taxation pursuant to N.J.S.54A:6-14; pension and annuity income excluded from taxation pursuant to N.J.S.54A:6-10; income derived from distributions from, or roll over to, a Roth IRA excluded from taxation pursuant to N.J.S.54A:6-28; other retirement income excluded from taxation pursuant to N.J.S.54A:6-15; and Social Security income excluded from taxation pursuant to N.J.S.54A:6-2, as self-reported by the homeowner.

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

Consists of one or more transportable sections which are substantially constructed off site and, if more than one section, are joined together on site;

Is built on a permanent chassis;

Is designed to be used, when connected to utilities, as a dwelling on a permanent or nonpermanent foundation; and

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

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

The construction and maintenance of streets;

Lighting of streets and other common areas;

Garbage removal;

Snow removal; and

Provisions for the drainage of surface water from home sites and common areas.

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

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

"Property tax" means the general property tax due and paid as set forth in this section, and shall include the amount of property tax credit as defined in section 1 of P.L.2018, c.11 (C.54:4-66.6), on a homestead, but does not include special assessments and interest and penalties for delinquent taxes. For the sole purpose of qualifying for a benefit under P.L.1997,

c.348 (C.54:4-8.67 et seq.), property taxes paid by June 1 of the year following the year for which the benefit is claimed will be deemed to be timely paid.

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

"Tax year" means the calendar year in which a homestead is assessed and the property tax is levied thereon and it means the calendar year in which income is received or accrued.

2. This act shall take effect immediately.

Approved March 6, 2025.

# ASSEMBLY, No. 1672

## STATE OF NEW JERSEY 221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

**Sponsored by:**

**Assemblywoman PAMELA R. LAMPITT**

**District 6 (Burlington and Camden)**

**Assemblyman ROBERT J. KARABINCHAK**

**District 18 (Middlesex)**

**Co-Sponsored by:**

**Assemblywoman Fantasia, Assemblymen Miller, Inganamort,  
Assemblywomen Bagolie and Speight**

**SYNOPSIS**

Makes disabled persons receiving disability payments pursuant to federal Railroad Retirement Act eligible to receive homestead property tax reimbursement.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 6/28/2024)**

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

3

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

6

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

9 1. As used in this act:

10 "Base year" means, in the case of a person who is an eligible  
11 claimant on or before December 31, 1997, the tax year 1997; and in  
12 the case of a person who first becomes an eligible claimant after  
13 December 31, 1997, the tax year in which the person first becomes  
14 an eligible claimant. In the case of an eligible claimant who  
15 subsequently moves from the homestead for which the initial  
16 eligibility was established, the base year shall be the first full tax  
17 year during which the person resides in the new homestead.  
18 Provided however, a base year for an eligible claimant after such a  
19 move shall not apply to tax years commencing prior to January 1,  
20 2009.

21 "Commissioner" means the Commissioner of Community  
22 Affairs.

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

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

27 "Cooperative" means a housing corporation or association which  
28 entitles the holder of a share or membership interest thereof to  
29 possess and occupy for dwelling purposes a house, apartment or  
30 other unit of housing owned or leased by the corporation or  
31 association, or to lease or purchase a unit of housing constructed or  
32 to be constructed by the corporation or association.

33 "Disabled person" means an individual receiving monetary  
34 payments pursuant to Title II of the federal Social Security Act (42  
35 U.S.C. s.401 et seq.), or receiving disability payments pursuant to  
36 the federal Railroad Retirement Act, 45 U.S.C. s.231 et seq., on  
37 December 31, 1998, or on December 31 in all or any part of the  
38 year for which a homestead property tax reimbursement under this  
39 act is claimed.

40 "Dwelling house" means any residential property assessed as real  
41 property which consists of not more than four units, of which not  
42 more than one may be used for commercial purposes, but shall not  
43 include a unit in a condominium, cooperative, horizontal property  
44 regime or mutual housing corporation.

45 "Eligible claimant" means a person who:

**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 is 65 or more years of age, or who is a disabled person;  
2 is an owner of a homestead, or the lessee of a site in a mobile  
3 home park on which site the applicant owns a manufactured or  
4 mobile home;  
5 has an annual income of less than \$17,918 in tax year 1998, less  
6 than \$18,151 in tax year 1999, or less than \$37,174 in tax year  
7 2000, if single, or, if married, whose annual income combined with  
8 that of the spouse is less than \$21,970 in tax year 1998, less than  
9 \$22,256 in tax year 1999, or less than \$45,582 in tax year 2000,  
10 which income eligibility limits for single and married persons shall  
11 be subject to adjustments in tax years 2001 through 2006 pursuant  
12 to section 9 of P.L.1997, c.348 (C.54:4-8.68);  
13 has an annual income of \$60,000 or less in tax year 2007,  
14 \$70,000 or less in tax year 2008, or \$80,000 or less in tax year  
15 2009, if single or married, which income eligibility limits shall be  
16 subject to adjustments in subsequent tax years pursuant to section 9  
17 of P.L.1997, c.348 (C.54:4-8.68);  
18 as a renter or homeowner, has made a long-term contribution to  
19 the fabric, social structure and finances of one or more communities  
20 in this State, as demonstrated through the payment of property taxes  
21 directly, or through rent, on any homestead or rental unit used as a  
22 principal residence in this State for at least 10 consecutive years at  
23 least three of which as owner of the homestead for which a  
24 homestead property tax reimbursement is sought prior to the date  
25 that an initial application for a homestead property tax  
26 reimbursement is filed. A person who has been an eligible claimant  
27 for a previous tax year shall qualify as an eligible claimant  
28 beginning the second full tax year following a move to another  
29 homestead in New Jersey, despite not meeting the three-year  
30 minimum residency and ownership requirement required for initial  
31 claimants under this paragraph; provided that the person satisfies  
32 the income eligibility limits for the tax year. Provided however,  
33 eligibility beginning in a second full tax year after such a move  
34 shall not apply to tax years commencing prior to January 1, 2010.  
35 "Homestead" means:  
36 a dwelling house and the land on which that dwelling house is  
37 located which constitutes the place of the eligible claimant's  
38 domicile and is owned and used by the eligible claimant as the  
39 eligible claimant's principal residence;  
40 a site in a mobile home park equipped for the installation of  
41 manufactured or mobile homes, where these sites are under  
42 common ownership and control for the purpose of leasing each site  
43 to the owner of a manufactured or mobile home for the installation  
44 thereof and such site is used by the eligible claimant as the eligible  
45 claimant's principal residence;  
46 a dwelling house situated on land owned by a person other than  
47 the eligible claimant which constitutes the place of the eligible

1 claimant's domicile and is owned and used by the eligible claimant  
2 as the eligible claimant's principal residence;

3 a condominium unit or a unit in a horizontal property regime or a  
4 continuing care retirement community which constitutes the place  
5 of the eligible claimant's domicile and is owned and used by the  
6 eligible claimant as the eligible claimant's principal residence.

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

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

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

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

37 "Manufactured home" or "mobile home" means a unit of housing  
38 which:

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

42 (2) Is built on a permanent chassis;

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

45 (4) Is manufactured in accordance with the standards  
46 promulgated for a manufactured home by the Secretary of the  
47 United States Department of Housing and Urban Development  
48 pursuant to the "National Manufactured Housing Construction and

1 Safety Standards Act of 1974," Pub.L.93-383 (42 U.S.C. s.5401 et  
2 seq.) and the standards promulgated for a manufactured or mobile  
3 home by the commissioner pursuant to the "State Uniform  
4 Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.).

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

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

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

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

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

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

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

43 "Tax year" means the calendar year in which a homestead is  
44 assessed and the property tax is levied thereon and it means the  
45 calendar year in which income is received or accrued.

46 (cf: P.L.2018, c.11, s.11)

47

48 2. This act shall take effect immediately.



# ASSEMBLY, No. 1672

## STATE OF NEW JERSEY 221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

**Sponsored by:**

**Assemblywoman PAMELA R. LAMPITT**

**District 6 (Burlington and Camden)**

**Assemblyman ROBERT J. KARABINCHAK**

**District 18 (Middlesex)**

**Assemblyman DAN HUTCHISON**

**District 4 (Atlantic, Camden and Gloucester)**

**Senator JAMES BEACH**

**District 6 (Burlington and Camden)**

**Senator RAJ MUKHERJI**

**District 32 (Hudson)**

**Co-Sponsored by:**

**Assemblywoman Fantasia, Assemblymen Miller, Inganamort,  
Assemblywomen Bagolie, Speight, Senators Diegnan, McKeon, Turner and  
Space**

**SYNOPSIS**

Makes disabled persons receiving disability payments pursuant to federal Railroad Retirement Act eligible to receive homestead property tax reimbursement.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Housing Committee with technical review.



**(Sponsorship Updated As Of: 1/14/2025)**

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

3

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

6

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

9 1. As used in this act:

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

24 "Commissioner" means the Commissioner of Community Affairs.

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

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

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

35 "Disabled person" means an individual receiving monetary  
36 payments pursuant to Title II of the federal Social Security Act (42  
37 U.S.C. s.401 et seq.), or receiving disability payments pursuant to the  
38 federal Railroad Retirement Act, 45 U.S.C. s.231 et seq., on December  
39 31, 1998, or on December 31 in all or any part of the year for which a  
40 homestead property tax reimbursement under this act is claimed.

41 "Dwelling house" means any residential property assessed as real  
42 property which consists of not more than four units, of which not more  
43 than one may be used for commercial purposes, but shall not include a  
44 unit in a condominium, cooperative, horizontal property regime or  
45 mutual housing corporation.

**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 "Eligible claimant" means a person who:  
2 is 65 or more years of age, or who is a disabled person;  
3 is an owner of a homestead, or the lessee of a site in a mobile home  
4 park on which site the applicant owns a manufactured or mobile home;  
5 has an annual income of less than \$17,918 in tax year 1998, less  
6 than \$18,151 in tax year 1999, or less than \$37,174 in tax year 2000, if  
7 single, or, if married, whose annual income combined with that of the  
8 spouse is less than \$21,970 in tax year 1998, less than \$22,256 in tax  
9 year 1999, or less than \$45,582 in tax year 2000, which income  
10 eligibility limits for single and married persons shall be subject to  
11 adjustments in tax years 2001 through 2006 pursuant to section 9 of  
12 P.L.1997, c.348 (C.54:4-8.68);  
13 has an annual income of \$60,000 or less in tax year 2007, \$70,000  
14 or less in tax year 2008, or \$80,000 or less in tax year 2009, if single  
15 or married, which income eligibility limits shall be subject to  
16 adjustments in tax years 2010 through 2021 pursuant to section 9 of  
17 P.L.1997, c.348 (C.54:4-8.68);  
18 has an annual income of \$150,000 or less in tax year 2022, if  
19 single or married, which income eligibility limits shall be subject to  
20 adjustments in subsequent tax years pursuant to section 9 of P.L.1997,  
21 c.348 (C.54:4-8.68);  
22 has, for at least three years, owned and resided in the homestead  
23 for which a homestead property tax reimbursement is sought prior to  
24 the date that an initial application for a homestead property tax  
25 reimbursement is filed. A person who has been an eligible claimant  
26 for a previous tax year shall qualify as an eligible claimant beginning  
27 the second full tax year following a move to another homestead in  
28 New Jersey, despite not meeting the three-year minimum residency  
29 and ownership requirement required for initial claimants under this  
30 paragraph; provided that the person satisfies the income eligibility  
31 limits for the tax year. Provided however, eligibility beginning in a  
32 second full tax year after such a move shall not apply to tax years  
33 commencing prior to January 1, 2010.  
34 "Homestead" means:  
35 a dwelling house and the land on which that dwelling house is  
36 located which constitutes the place of the eligible claimant's domicile  
37 and is owned and used by the eligible claimant as the eligible  
38 claimant's principal residence;  
39 a site in a mobile home park equipped for the installation of  
40 manufactured or mobile homes, where these sites are under common  
41 ownership and control for the purpose of leasing each site to the owner  
42 of a manufactured or mobile home for the installation thereof and such  
43 site is used by the eligible claimant as the eligible claimant's principal  
44 residence;  
45 a dwelling house situated on land owned by a person other than the  
46 eligible claimant which constitutes the place of the eligible claimant's  
47 domicile and is owned and used by the eligible claimant as the eligible  
48 claimant's principal residence;

1 a condominium unit or a unit in a horizontal property regime or a  
2 continuing care retirement community which constitutes the place of  
3 the eligible claimant's domicile and is owned and used by the eligible  
4 claimant as the eligible claimant's principal residence.

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

16 a unit in a cooperative or mutual housing corporation which  
17 constitutes the place of domicile of a residential shareholder or lessee  
18 therein, or of a lessee or shareholder who is not a residential  
19 shareholder therein, which is used by the eligible claimant as the  
20 eligible claimant's principal residence.

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

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

34 "Manufactured home" or "mobile home" means a unit of housing  
35 which:

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

39 (2) Is built on a permanent chassis;

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

42 (4) Is manufactured in accordance with the standards promulgated  
43 for a manufactured home by the Secretary of the United States  
44 Department of Housing and Urban Development pursuant to the  
45 "National Manufactured Housing Construction and Safety Standards  
46 Act of 1974," Pub.L.93-383 (42 U.S.C. s.5401 et seq.) and the  
47 standards promulgated for a manufactured or mobile home by the

1 commissioner pursuant to the "State Uniform Construction Code Act,"  
2 P.L.1975, c.217 (C.52:27D-119 et seq.).

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

- 12 (1) The construction and maintenance of streets;
- 13 (2) Lighting of streets and other common areas;
- 14 (3) Garbage removal;
- 15 (4) Snow removal; and
- 16 (5) Provisions for the drainage of surface water from home sites  
17 and common areas.

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

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

26 "Principal residence" means a homestead actually and continually  
27 occupied by an eligible claimant as his or her permanent residence, as  
28 distinguished from a vacation home, property owned and rented or  
29 offered for rent by the claimant, and other secondary real property  
30 holdings.

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

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

41 "Tax year" means the calendar year in which a homestead is  
42 assessed and the property tax is levied thereon and it means the  
43 calendar year in which income is received or accrued.

44 (cf: P.L.2023, c.75, s.13)

45

46 2. This act shall take effect immediately.

ASSEMBLY HOUSING COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 1672**

**STATE OF NEW JERSEY**

DATED: MAY 13, 2024

The Assembly Housing Committee reports favorably Assembly Bill No. 1672.

This bill would make disabled persons who receive disability payments pursuant to federal Railroad Retirement Act, (45 U.S.C. s. 231 et seq.), eligible to receive a homestead property tax reimbursement.

Under current law, only disabled persons who receive monetary payments pursuant to Title II of the federal Social Security Act (42 U.S.C. s.401 et seq.) are eligible to receive a homestead property tax reimbursement.

This bill was prefiled 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.

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 1672

# STATE OF NEW JERSEY

DATED: JUNE 24, 2024

The Assembly Appropriations Committee reports favorably Assembly Bill No. 1672.

This bill would make disabled persons who receive disability payments pursuant to federal Railroad Retirement Act, (45 U.S.C. s. 231 et seq.), eligible to receive a homestead property tax reimbursement.

Under current law, only disabled persons who receive monetary payments pursuant to Title II of the federal Social Security Act (42 U.S.C. s.401 et seq.) are eligible to receive a homestead property tax reimbursement.

#### FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that the bill would result in increased annual State costs. The bill would not result in additional State costs until FY 2027 due to the timing of homestead property tax reimbursement payments.

Approximately 300 additional homeowners would become eligible for the homestead property tax reimbursement program, commonly known as the Senior Freeze program, in calendar year 2024, thereby establishing a base year under the program. Thereafter, these homeowners may file a claim to receive a homestead property tax reimbursement for the difference between total property taxes paid in subsequent years and their base year.

Although the number of railroad retirement disability beneficiaries is expected to decline over time, additional State costs are expected to increase because they are directly connected to annual increases in property taxes and the reimbursement payment is equal to the difference between property taxes paid in the base year and the “current” year.

SENATE STATE GOVERNMENT, WAGERING, TOURISM &  
HISTORIC PRESERVATION COMMITTEE

STATEMENT TO  
ASSEMBLY, No. 1672

**STATE OF NEW JERSEY**

DATED: OCTOBER 24, 2024

The Senate State Government, Wagering, Tourism & Historic Preservation Committee reports favorably Assembly Bill No. 1672.

This bill would make disabled persons who receive disability payments pursuant to federal Railroad Retirement Act, (45 U.S.C. s. 231 et seq.), eligible to receive a homestead property tax reimbursement.

Under current law, only disabled persons who receive monetary payments pursuant to Title II of the federal Social Security Act (42 U.S.C. s.401 et seq.) are eligible to receive a homestead property tax reimbursement.

As reported by the committee, Assembly Bill No. 1672 is identical to Senate Bill No. 1285, which was also reported by the committee on this date.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 1672

# STATE OF NEW JERSEY

DATED: DECEMBER 9, 2024

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 1672.

This bill would make disabled persons who receive disability payments pursuant to federal Railroad Retirement Act, (45 U.S.C. s. 231 et seq.), eligible to receive a homestead property tax reimbursement.

Under current law, only disabled persons who receive monetary payments pursuant to Title II of the federal Social Security Act (42 U.S.C. s.401 et seq.) are eligible to receive a homestead property tax reimbursement.

As reported by the committee, Assembly Bill No. 1672 is identical to Senate Bill No. 1285, which was also reported by the committee on this date.

#### FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that the bill would result in increased annual State costs. The bill would not result in additional State costs until FY 2027 due to the timing of homestead property tax reimbursement payments.

Approximately 300 additional homeowners would become eligible for the homestead property tax reimbursement program, commonly known as the Senior Freeze program, in calendar year 2024, thereby establishing a base year under the program. Thereafter, these homeowners may file a claim to receive a homestead property tax reimbursement for the difference between total property taxes paid in subsequent years and their base year.

Although the number of railroad retirement disability beneficiaries is expected to decline over time, additional State costs are expected to increase because they are directly connected to annual increases in property taxes and the reimbursement payment is equal to the difference between property taxes paid in the base year and the “current” year.

**LEGISLATIVE FISCAL ESTIMATE**  
**ASSEMBLY, No. 1672**  
**STATE OF NEW JERSEY**  
**221st LEGISLATURE**

DATED: JUNE 26, 2024

**SUMMARY**

- Synopsis:** Makes disabled persons receiving disability payments pursuant to federal Railroad Retirement Act eligible to receive homestead property tax reimbursement.
- Type of Impact:** Increase in annual State costs to the Property Tax Relief Fund.
- Agencies Affected:** Department of the Treasury.

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>FY 2027</u></b>	<b><u>FY 2028</u></b>	<b><u>FY 2029</u></b>
<b>State Expenditure Increase</b>	\$49,560	\$92,722	\$129,453

- The Office of Legislative Services (OLS) estimates that the bill would result in increased annual State costs. The bill would not result in additional State costs until FY 2027 due to the timing of homestead property tax reimbursement payments.
- Approximately 300 additional homeowners would become eligible for the homestead property tax reimbursement program, commonly known as the Senior Freeze program, in calendar year 2024, thereby establishing a base year under the program. Thereafter, these homeowners may file a claim to receive a homestead property tax reimbursement for the difference between total property taxes paid in subsequent years and their base year.
- Although the number of railroad retirement disability beneficiaries is expected to decline over time, additional State costs are expected to increase because they are directly connected to annual increases in property taxes and the reimbursement payment is equal to the difference between property taxes paid in the base year and the “current” year.

**BILL DESCRIPTION**

The bill would make persons who receive disability payments pursuant to the federal Railroad Retirement Act eligible to receive a homestead property tax reimbursement. Under current law,

only disabled persons receiving payments pursuant to Title II of the federal Social Security Act are eligible to receive a homestead property tax reimbursement.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS estimates that the enactment of the bill would result in an increase in annual State costs associated with the payment of homestead property tax reimbursements to eligible claimants who receive disability payments pursuant to the federal Railroad Retirement Act. These projected costs are \$49,560 in FY 2027, \$92,722 in FY 2028, and \$129,453 in FY 2029. Approximately 300 persons would become eligible to file a homestead property tax reimbursement claim under the bill. The bill does not result in additional State costs until FY 2027 due to the timing of homestead property tax reimbursement payments.

Current law provides that an eligible claimant must be 65 or more years of age *or* a disabled person. Under current law, a person under age 65 would not qualify as an eligible claimant by virtue of receiving railroad retirement disability payments; however, the OLS notes that certain homeowners who receive railroad retirement disability payments may already be eligible to receive a homestead property tax reimbursement because they are 65 or more years of age. Nevertheless, the OLS anticipates that the bill will increase annual State expenditures because it allows additional persons under age 65 who receive railroad retirement disability payments to receive a homestead property tax reimbursement earlier than permitted under current law.

National statistics available through the federal Railroad Retirement Board for calendar years 2017 through 2022 indicate that about 4.0 percent of retired railroad workers receive disability benefits. By applying this rate to the number of railroad retirement beneficiaries living in New Jersey, the OLS estimates that 328 beneficiaries of railroad retirement disability payments were living in New Jersey in calendar year 2022. Although the Railroad Retirement Board data indicates that the number of railroad retirement beneficiaries living in New Jersey has remained constant during that time period, at about 10,000 per year, the population of railroad retirement workers receiving railroad retirement disability payments has been declining by about 7.5 percent annually since calendar year 2017. Based on these data, the number of railroad retirement disability beneficiaries is anticipated to decrease to 280 persons in calendar year 2024, the base year for these newly eligible claimants.

Average residential property tax data available to the public through the Division of Local Government Services indicate that the average residential property tax amount increased by 1.78 percent from calendar years 2017 through 2022; the data also indicate that the average residential property tax about was \$9,803 in calendar year 2023. Using these data, the OLS estimates that the average residential property tax amount will increase to \$9,977 in calendar year 2024.

To determine the projected amount of additional FY 2027 State costs resulting from the bill, the OLS multiplied the estimated number of new eligible claimants (280) by the difference between the average residential property tax amounts for calendar years 2024 and 2025 (\$177), for a total of \$49,560. These costs are expected to increase to \$92,722 in FY 2028 and \$129,453 in FY 2029. Although the population of railroad retirement disability beneficiaries is expected to decline, the additional State costs are expected to increase annually because each eligible

claimant's homestead property tax reimbursement payment increases annually commensurate with increases in property taxes. A newly eligible claimant would file a homestead property tax reimbursement application in early calendar year 2026. Because homestead property tax reimbursement payments are distributed beginning in July, the newly eligible claimants will receive their first payments in FY 2027.

*Section: Revenue, Finance, and Appropriations*

*Analyst: Scott A. Brodsky  
Staff Fiscal & Budget 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.).

# SENATE, No. 1285

## STATE OF NEW JERSEY 221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

**Sponsored by:**

**Senator JAMES BEACH**

**District 6 (Burlington and Camden)**

**Senator RAJ MUKHERJI**

**District 32 (Hudson)**

**Co-Sponsored by:**

**Senator Diegnan**

**SYNOPSIS**

Makes disabled persons receiving disability payments pursuant to federal Railroad Retirement Act eligible to receive homestead property tax reimbursement.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 10/24/2024)**

S1285 BEACH, MUKHERJI

2

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

3

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

6

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

9 1. As used in this act:

10 "Base year" means, in the case of a person who is an eligible  
11 claimant on or before December 31, 1997, the tax year 1997; and in  
12 the case of a person who first becomes an eligible claimant after  
13 December 31, 1997, the tax year in which the person first becomes  
14 an eligible claimant. In the case of an eligible claimant who  
15 subsequently moves from the homestead for which the initial  
16 eligibility was established, the base year shall be the first full tax  
17 year during which the person resides in the new homestead.  
18 Provided however, a base year for an eligible claimant after such a  
19 move shall not apply to tax years commencing prior to January 1,  
20 2009.

21 "Commissioner" means the Commissioner of Community  
22 Affairs.

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

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

27 "Cooperative" means a housing corporation or association which  
28 entitles the holder of a share or membership interest thereof to  
29 possess and occupy for dwelling purposes a house, apartment or  
30 other unit of housing owned or leased by the corporation or  
31 association, or to lease or purchase a unit of housing constructed or  
32 to be constructed by the corporation or association.

33 "Disabled person" means an individual receiving monetary  
34 payments pursuant to Title II of the federal Social Security Act (42  
35 U.S.C. s.401 et seq.), or receiving disability payments pursuant to  
36 the federal Railroad Retirement Act, 45 U.S.C. s.231 et seq., on  
37 December 31, 1998, or on December 31 in all or any part of the  
38 year for which a homestead property tax reimbursement under this  
39 act is claimed.

40 "Dwelling house" means any residential property assessed as real  
41 property which consists of not more than four units, of which not  
42 more than one may be used for commercial purposes, but shall not  
43 include a unit in a condominium, cooperative, horizontal property  
44 regime or mutual housing corporation.

45 "Eligible claimant" means a person who:

**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.**

**S1285 BEACH, MUKHERJI**

1 is 65 or more years of age, or who is a disabled person;  
2 is an owner of a homestead, or the lessee of a site in a mobile  
3 home park on which site the applicant owns a manufactured or  
4 mobile home;

5 has an annual income of less than \$17,918 in tax year 1998, less  
6 than \$18,151 in tax year 1999, or less than \$37,174 in tax year  
7 2000, if single, or, if married, whose annual income combined with  
8 that of the spouse is less than \$21,970 in tax year 1998, less than  
9 \$22,256 in tax year 1999, or less than \$45,582 in tax year 2000,  
10 which income eligibility limits for single and married persons shall  
11 be subject to adjustments in tax years 2001 through 2006 pursuant  
12 to section 9 of P.L.1997, c.348 (C.54:4-8.68);

13 has an annual income of \$60,000 or less in tax year 2007,  
14 \$70,000 or less in tax year 2008, or \$80,000 or less in tax year  
15 2009, if single or married, which income eligibility limits shall be  
16 subject to adjustments in subsequent tax years pursuant to section 9  
17 of P.L.1997, c.348 (C.54:4-8.68);

18 as a renter or homeowner, has made a long-term contribution to  
19 the fabric, social structure and finances of one or more communities  
20 in this State, as demonstrated through the payment of property taxes  
21 directly, or through rent, on any homestead or rental unit used as a  
22 principal residence in this State for at least 10 consecutive years at  
23 least three of which as owner of the homestead for which a  
24 homestead property tax reimbursement is sought prior to the date  
25 that an initial application for a homestead property tax  
26 reimbursement is filed. A person who has been an eligible claimant  
27 for a previous tax year shall qualify as an eligible claimant  
28 beginning the second full tax year following a move to another  
29 homestead in New Jersey, despite not meeting the three-year  
30 minimum residency and ownership requirement required for initial  
31 claimants under this paragraph; provided that the person satisfies  
32 the income eligibility limits for the tax year. Provided however,  
33 eligibility beginning in a second full tax year after such a move  
34 shall not apply to tax years commencing prior to January 1, 2010.

35 "Homestead" means:

36 a dwelling house and the land on which that dwelling house is  
37 located which constitutes the place of the eligible claimant's  
38 domicile and is owned and used by the eligible claimant as the  
39 eligible claimant's principal residence;

40 a site in a mobile home park equipped for the installation of  
41 manufactured or mobile homes, where these sites are under  
42 common ownership and control for the purpose of leasing each site  
43 to the owner of a manufactured or mobile home for the installation  
44 thereof and such site is used by the eligible claimant as the eligible  
45 claimant's principal residence;

46 a dwelling house situated on land owned by a person other than  
47 the eligible claimant which constitutes the place of the eligible

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1 claimant's domicile and is owned and used by the eligible claimant  
2 as the eligible claimant's principal residence;

3 a condominium unit or a unit in a horizontal property regime or a  
4 continuing care retirement community which constitutes the place  
5 of the eligible claimant's domicile and is owned and used by the  
6 eligible claimant as the eligible claimant's principal residence.

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

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

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

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

37 "Manufactured home" or "mobile home" means a unit of housing  
38 which:

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

42 (2) Is built on a permanent chassis;

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

45 (4) Is manufactured in accordance with the standards  
46 promulgated for a manufactured home by the Secretary of the  
47 United States Department of Housing and Urban Development  
48 pursuant to the "National Manufactured Housing Construction and

1 Safety Standards Act of 1974," Pub.L.93-383 (42 U.S.C. s.5401 et  
2 seq.) and the standards promulgated for a manufactured or mobile  
3 home by the commissioner pursuant to the "State Uniform  
4 Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.).

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

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

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

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

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

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

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

43 "Tax year" means the calendar year in which a homestead is  
44 assessed and the property tax is levied thereon and it means the  
45 calendar year in which income is received or accrued.

46 (cf: P.L.2018, c.11, s.11)

1        2. This act shall take effect immediately.

2

3

4

STATEMENT

5

6        This bill would make disabled persons who receive disability  
7 payments pursuant to federal Railroad Retirement Act, (45 U.S.C. s.  
8 231 et seq.), eligible to receive a homestead property tax  
9 reimbursement.

10       Under current law, only disabled persons who receive monetary  
11 payments pursuant to Title II of the federal Social Security Act (42  
12 U.S.C. s.401 et seq.) are eligible to receive a homestead property  
13 tax reimbursement.

# SENATE, No. 1285

## STATE OF NEW JERSEY 221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

**Sponsored by:**

**Senator JAMES BEACH**

**District 6 (Burlington and Camden)**

**Senator RAJ MUKHERJI**

**District 32 (Hudson)**

**Co-Sponsored by:**

**Senators Diegnan, McKeon, Turner and Space**

**SYNOPSIS**

Makes disabled persons receiving disability payments pursuant to federal Railroad Retirement Act eligible to receive homestead property tax reimbursement.

**CURRENT VERSION OF TEXT**

As reported by the Senate State Government, Wagering, Tourism & Historic Preservation Committee with technical review.



**(Sponsorship Updated As Of: 1/14/2025)**

S1285 BEACH, MUKHERJI

2

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

3

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

6

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

9 1. As used in this act:

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

24 "Commissioner" means the Commissioner of Community Affairs.

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

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

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

35 "Disabled person" means an individual receiving monetary  
36 payments pursuant to Title II of the federal Social Security Act (42  
37 U.S.C. s.401 et seq.), or receiving disability payments pursuant to the  
38 federal Railroad Retirement Act, 45 U.S.C. s.231 et seq., on December  
39 31, 1998, or on December 31 in all or any part of the year for which a  
40 homestead property tax reimbursement under this act is claimed.

41 "Dwelling house" means any residential property assessed as real  
42 property which consists of not more than four units, of which not more  
43 than one may be used for commercial purposes, but shall not include a  
44 unit in a condominium, cooperative, horizontal property regime or  
45 mutual housing corporation.

**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 "Eligible claimant" means a person who:  
2 is 65 or more years of age, or who is a disabled person;  
3 is an owner of a homestead, or the lessee of a site in a mobile home  
4 park on which site the applicant owns a manufactured or mobile home;  
5 has an annual income of less than \$17,918 in tax year 1998, less  
6 than \$18,151 in tax year 1999, or less than \$37,174 in tax year 2000, if  
7 single, or, if married, whose annual income combined with that of the  
8 spouse is less than \$21,970 in tax year 1998, less than \$22,256 in tax  
9 year 1999, or less than \$45,582 in tax year 2000, which income  
10 eligibility limits for single and married persons shall be subject to  
11 adjustments in tax years 2001 through 2006 pursuant to section 9 of  
12 P.L.1997, c.348 (C.54:4-8.68);  
13 has an annual income of \$60,000 or less in tax year 2007, \$70,000  
14 or less in tax year 2008, or \$80,000 or less in tax year 2009, if single  
15 or married, which income eligibility limits shall be subject to  
16 adjustments in tax years 2010 through 2021 pursuant to section 9 of  
17 P.L.1997, c.348 (C.54:4-8.68);  
18 has an annual income of \$150,000 or less in tax year 2022, if  
19 single or married, which income eligibility limits shall be subject to  
20 adjustments in subsequent tax years pursuant to section 9 of P.L.1997,  
21 c.348 (C.54:4-8.68);  
22 has, for at least three years, owned and resided in the homestead  
23 for which a homestead property tax reimbursement is sought prior to  
24 the date that an initial application for a homestead property tax  
25 reimbursement is filed. A person who has been an eligible claimant  
26 for a previous tax year shall qualify as an eligible claimant beginning  
27 the second full tax year following a move to another homestead in  
28 New Jersey, despite not meeting the three-year minimum residency  
29 and ownership requirement required for initial claimants under this  
30 paragraph; provided that the person satisfies the income eligibility  
31 limits for the tax year. Provided however, eligibility beginning in a  
32 second full tax year after such a move shall not apply to tax years  
33 commencing prior to January 1, 2010.  
34 "Homestead" means:  
35 a dwelling house and the land on which that dwelling house is  
36 located which constitutes the place of the eligible claimant's domicile  
37 and is owned and used by the eligible claimant as the eligible  
38 claimant's principal residence;  
39 a site in a mobile home park equipped for the installation of  
40 manufactured or mobile homes, where these sites are under common  
41 ownership and control for the purpose of leasing each site to the owner  
42 of a manufactured or mobile home for the installation thereof and such  
43 site is used by the eligible claimant as the eligible claimant's principal  
44 residence;  
45 a dwelling house situated on land owned by a person other than the  
46 eligible claimant which constitutes the place of the eligible claimant's  
47 domicile and is owned and used by the eligible claimant as the eligible  
48 claimant's principal residence;

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1 a condominium unit or a unit in a horizontal property regime or a  
2 continuing care retirement community which constitutes the place of  
3 the eligible claimant's domicile and is owned and used by the eligible  
4 claimant as the eligible claimant's principal residence.

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

16 a unit in a cooperative or mutual housing corporation which  
17 constitutes the place of domicile of a residential shareholder or lessee  
18 therein, or of a lessee or shareholder who is not a residential  
19 shareholder therein, which is used by the eligible claimant as the  
20 eligible claimant's principal residence.

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

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

34 "Manufactured home" or "mobile home" means a unit of housing  
35 which:

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

39 (2) Is built on a permanent chassis;

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

42 (4) Is manufactured in accordance with the standards promulgated  
43 for a manufactured home by the Secretary of the United States  
44 Department of Housing and Urban Development pursuant to the  
45 "National Manufactured Housing Construction and Safety Standards  
46 Act of 1974," Pub.L.93-383 (42 U.S.C. s.5401 et seq.) and the  
47 standards promulgated for a manufactured or mobile home by the

**S1285 BEACH, MUKHERJI**

1 commissioner pursuant to the "State Uniform Construction Code Act,"  
2 P.L.1975, c.217 (C.52:27D-119 et seq.).

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

- 12 (1) The construction and maintenance of streets;
- 13 (2) Lighting of streets and other common areas;
- 14 (3) Garbage removal;
- 15 (4) Snow removal; and
- 16 (5) Provisions for the drainage of surface water from home sites  
17 and common areas.

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

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

26 "Principal residence" means a homestead actually and continually  
27 occupied by an eligible claimant as his or her permanent residence, as  
28 distinguished from a vacation home, property owned and rented or  
29 offered for rent by the claimant, and other secondary real property  
30 holdings.

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

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

41 "Tax year" means the calendar year in which a homestead is  
42 assessed and the property tax is levied thereon and it means the  
43 calendar year in which income is received or accrued.

44 (cf: P.L.2023, c.75, s.13)

45

46 2. This act shall take effect immediately.

SENATE STATE GOVERNMENT, WAGERING, TOURISM &  
HISTORIC PRESERVATION COMMITTEE

STATEMENT TO

**SENATE, No. 1285**

**STATE OF NEW JERSEY**

DATED: OCTOBER 24, 2024

The Senate State Government, Wagering, Tourism & Historic Preservation Committee reports favorably Senate Bill No. 1285.

This bill would make disabled persons who receive disability payments pursuant to federal Railroad Retirement Act, (45 U.S.C. s. 231 et seq.), eligible to receive a homestead property tax reimbursement.

Under current law, only disabled persons who receive monetary payments pursuant to Title II of the federal Social Security Act (42 U.S.C. s.401 et seq.) are eligible to receive a homestead property tax reimbursement.

As reported by the committee, Senate Bill No. 1285 is identical to Assembly Bill No. 1672, which was also reported by the committee on this date.

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.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### SENATE, No. 1285

# STATE OF NEW JERSEY

DATED: DECEMBER 9, 2024

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 1285.

This bill would make disabled persons who receive disability payments pursuant to federal Railroad Retirement Act, (45 U.S.C. s. 231 et seq.), eligible to receive a homestead property tax reimbursement.

Under current law, only disabled persons who receive monetary payments pursuant to Title II of the federal Social Security Act (42 U.S.C. s.401 et seq.) are eligible to receive a homestead property tax reimbursement.

As reported by the committee, Senate Bill No. 1285 is identical to Assembly Bill No. 1672, which was also reported by the committee on this date.

#### FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that the bill would result in increased annual State costs. The bill would not result in additional State costs until FY 2027 due to the timing of homestead property tax reimbursement payments.

Approximately 300 additional homeowners would become eligible for the homestead property tax reimbursement program, commonly known as the Senior Freeze program, in calendar year 2024, thereby establishing a base year under the program. Thereafter, these homeowners may file a claim to receive a homestead property tax reimbursement for the difference between total property taxes paid in subsequent years and their base year.

Although the number of railroad retirement disability beneficiaries is expected to decline over time, additional State costs are expected to increase because they are directly connected to annual increases in property taxes and the reimbursement payment is equal to the difference between property taxes paid in the base year and the “current” year.

**LEGISLATIVE FISCAL ESTIMATE**  
**SENATE, No. 1285**  
**STATE OF NEW JERSEY**  
**221st LEGISLATURE**

DATED: DECEMBER 10, 2024

**SUMMARY**

- Synopsis:** Makes disabled persons receiving disability payments pursuant to federal Railroad Retirement Act eligible to receive homestead property tax reimbursement.
- Type of Impact:** Increase in annual State costs to the Property Tax Relief Fund.
- Agencies Affected:** Department of the Treasury.

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>FY 2027</u></b>	<b><u>FY 2028</u></b>	<b><u>FY 2029</u></b>
<b>State Expenditure Increase</b>	\$65,830	\$124,118	\$175,835

- The Office of Legislative Services (OLS) estimates that the bill would result in increased annual State costs. The bill would not result in additional State costs until FY 2027 due to the timing of homestead property tax reimbursement payments.
- Approximately 300 additional homeowners would become eligible for the homestead property tax reimbursement program, commonly known as the Senior Freeze program, in calendar year 2024, thereby establishing a base year under the program. Thereafter, these homeowners may file a claim to receive a homestead property tax reimbursement for the difference between total property taxes paid in subsequent years and their base year.
- Although the number of railroad retirement disability beneficiaries is expected to decline over time, additional State costs are expected to increase because they are directly connected to annual increases in property taxes and the reimbursement payment is equal to the difference between property taxes paid in the base year and the “current” year.

**BILL DESCRIPTION**

This bill expands eligibility for the homestead property tax reimbursement to include disabled persons who receive disability payments pursuant to the federal Railroad Retirement Act.

Under current law, only disabled persons who receive monetary payments pursuant to Title II of the federal Social Security Act are eligible to receive a homestead property tax reimbursement.

This bill amends current law to include Railroad Retirement Act disability payment recipients as qualified disabled persons for purposes of the homestead property tax reimbursement program. To qualify, an applicant must meet all other existing program eligibility requirements, including income limits, residency requirements, and property ownership criteria.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS estimates that the enactment of the bill would result in an increase in annual State costs associated with the payment of homestead property tax reimbursements to eligible claimants who received disability payments pursuant to the federal Railroad Retirement Act. These projected costs are \$65,830 in FY 2027, \$124,118 in FY 2028, and \$175,835 in FY 2029. Approximately 300 persons would become eligible to file a homestead property tax reimbursement claim under the bill. The bill does not result in any additional State costs until FY 2027 due to the timing of homestead property tax reimbursement payments.

Current law provides that an eligible claimant must be 65 or more years of age or a disabled person. Under current law, a person under age 65 would not qualify as an eligible claimant by virtue of receiving railroad retirement disability payments; however, the OLS notes that certain homeowners who receive railroad retirement disability payments may already be eligible to receive a homestead property tax reimbursement because they are 65 or more years of age. Nevertheless, the OLS anticipates that the bill will increase annual State expenditures because it allows additional persons under age 65 who receive railroad retirement disability payments to receive a homestead property tax reimbursement earlier than permitted under current law.

National statistics available through the federal Railroad Retirement Board for calendar years 2018 through 2023 indicate that about 4.0 percent of retired railroad workers receive disability benefits. By applying this rate to the number of railroad retirement beneficiaries living in New Jersey, the OLS estimates that 311 beneficiaries of railroad retirement disability payments were living in New Jersey in calendar year 2023. Although the Railroad Retirement Board data indicate that the number of railroad retirement beneficiaries living in New Jersey has remained constant during that time period, at about 10,000 per year, the population of railroad retirement workers receiving disability payments has been declining by about 6.7 percent annually since calendar year 2018. Based on these data, the number of railroad retirement disability beneficiaries is anticipated to decrease to 290 persons in calendar year 2024, the base year for these newly eligible claimants.

Average residential property tax data available through the Division of Local Government Services indicate that the average residential property tax amount increased by 2.26 percent between calendar year 2018 and 2023; the data also indicate that the average residential property tax amount was \$9,803 in calendar year 2023. Using these data, the OLS estimates that the average residential property tax amount will increase to \$10,024 in calendar year 2024.

To determine the projected amount of additional FY 2027 State costs resulting from the bill, the OLS multiplied the estimated number of new eligible claimants (290) by the difference between the estimated average residential property tax amounts for calendar years 2024 and 2025 (\$227) for a total of \$65,830. These costs are expected to increase to \$124,118 in FY 2028 and \$175,835 in FY 2029. Although the population of railroad retirement disability beneficiaries is

expected to decline, the additional State costs are expected to increase annually because each eligible claimant's homestead property tax reimbursement payment increases annually commensurate with increases in property taxes. Newly eligible claimants would file a homestead property tax reimbursement application in early calendar year 2026. Because homestead property tax reimbursement payments are distributed beginning in July, the newly eligible claimants will receive their first payments beginning in FY 2027.

The OLS notes that the actual State costs resulting from the bill will be driven by the specific characteristics of railroad retirement disability beneficiaries living in New Jersey, including their homeownership status, current age distribution, actual property tax obligations, and the rate at which newly eligible claimants apply for a homestead property tax reimbursement.

*Section: Revenue, Finance & Appropriations*  
*Analyst: Scott A. Brodsky*  
*Staff Fiscal & Budget 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 Takes Action on Legislation

03/6/2025

**TRENTON** – Today, Governor Murphy signed the following bills into law:

**S-3825/A-4992 (Burzichelli, Testa/Bailey, McClellan, Hutchison)** - Provides project grant under “Securing Our Children’s Future Fund” for career and technical education expansion; appropriates \$7.65 million

**A-1672/S-1285 (Lampitt, Karabinchak, Hutchison/Beach, Mukherji)** - Makes disabled persons receiving disability payments pursuant to federal Railroad Retirement Act eligible to receive homestead property tax reimbursement

**A-3904/S-2954 (Moen, Spearman, Miller/Cruz-Perez, Beach)** - Requires geotechnical testing and certain monitoring of transportation projects

**A-4091/S-2874 (Speight, Sampson, Hall/Diegnan, Polistina)** - Expands services that can be provided by audiologists and hearing aid dispensers

**A-4684/S-3564 (Quijano, Park/Vitale, Turner)** - Removes certain limitations on recovery for victims of certain sexual offenses

**A-4707/S-3516 (Moen, Murphy, Pintor Marin/Scutari)** - Authorizes State Treasurer to sell as surplus certain real property and improvements in City of Camden in Camden County

**A-4757/S-3456 (Danielsen/Scutari)** - Permits amusement games licenses to be issued to certain nonprofit organizations

**A-4948/S-3819 (Lopez/Vitale)** - Allows unexpended balance of FY2024 appropriation for City of Perth Amboy – Convery Boulevard Pedestrian Bridge to be used by municipality for pedestrian safety infrastructure projects

**A-5116/S-4142 (Wimberly, Barlas/Scutari, Bucco)** - Revises design of primary election ballots and certain primary election procedures; provides for ballots to be arranged by office block; removes State committee members from primary process; requires reporting on primary elections by Division of Elections

**AJR-120/SJR-110 (Conaway/McKnight)** - Designates first full week of May of each year as “Tardive Dyskinesia Awareness Week” in NJ