

55:14A-20

LEGISLATIVE HISTORY CHECKLIST
Compiled by the NJ State Law Library

(Public housing projects)

NJSA: 55:14A-20

LAWS OF: 1991 CHAPTER: 508

BILL NO: A5310

SPONSOR(S): Pascrell

DATE INTRODUCED: January 8, 1992

COMMITTEE: ASSEMBLY: Housing

SENATE: —

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: ASSEMBLY: January 13, 1992

SENATE: January 13, 1992

DATE OF APPROVAL: January 18, 1992

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: No

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

KBG/pp

1 AN ACT concerning tax exemption of public housing project
2 property in certain cases and amending R.S.55:14A-20.

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

6 1. R.S.55:14A-20 is amended to read as follows:

7 55:14A-20. Property exempt from taxes. All housing projects
8 of a housing authority, including all property of the public body or
9 bodies or housing authority or authorities comprising such housing
10 projects, are hereby declared to be public property devoted to an
11 essential public and governmental purpose. All such public
12 property devoted to such a public purpose shall be exempt from
13 all taxes and special assessments of the State or any political
14 subdivision thereof as long as such public property remains under
15 exclusive control and jurisdiction of a housing authority or public
16 body which owns or holds such property, and for a period not
17 exceeding 15 years after the transfer of title thereto pursuant to
18 a program of home ownership opportunities, as authorized under
19 R.S.55:14A-19, if (1) such continued exemption is determined by
20 the local housing authority to be necessary to the financial
21 feasibility of transition from public to private ownership, (2) the
22 resident owners of the resident management association,
23 condominium association or cooperative corporation shall
24 continue to receive, to the extent necessary, financial assistance
25 from the federal government during such continued exemption
26 period, and (3) the governing body of the municipality in which
27 the property is located approves the terms of such continued
28 exemption, including any agreement for payments in lieu of taxes
29 as authorized in this section; provided, however, that in lieu of
30 such taxes, the public body or resident management corporation,
31 condominium association or cooperative corporation which owns
32 or holds such property may agree to make payments to a political
33 subdivision for the services, improvements or facilities furnished
34 by it for the benefit of a housing project, but in no event shall
35 such payments: either (1) exceed the amount last levied as the
36 annual tax of such political subdivision upon the property included
37 in said project prior to the time of its acquisition by the aforesaid
38 public body or (2) be less than the amount last paid in lieu of

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 taxes to the political subdivision, attributed to, or prorated for,
2 the public housing project for which title is being transferred to
3 the residents thereof or to a resident management association or
4 cooperative corporation, by the public body by which title was
5 transferred to private ownership pursuant to a program of home
6 ownership opportunities as authorized in R.S.55:14A-19.
7 (cf: P.L.1991, c.225, s.2)

8 2. This act shall take effect immediately.

9

10

11

12

STATEMENT

13 P.L.1991, c.225, amending R.S.55:14A-20, was intended to
14 permit a transitional period (not exceeding 15 years) of local
15 property tax exemption to public housing project property when
16 the project is involved in a federal-government program to
17 enable the residents to acquire and manage the property. Under
18 previous law, such property could not qualify for the exemption
19 after title passed to the residents, although the federal
20 government continues a measure of subsidy during the
21 transitional period. The wording of the amendment, however,
22 implied that the property would be eligible for the local tax
23 exemption only so long as the federal subsidy remained no less
24 than it was before the tenant-ownership program began. This bill
25 makes it clear that the federal funding for such a project need
26 only continue "to the extent necessary" to maintain the project's
27 feasibility during the transition period.

28

29

30

HOUSING AND CONSTRUCTION

31

32 Clarifies eligibility for continued property tax exemption of
33 certain public housing project property during transition to
34 private ownership by tenants.

STATE OF NEW JERSEY

INTRODUCED JANUARY 8, 1992

By Assemblyman PASCRELL

1 AN ACT concerning tax exemption of public housing project
2 property in certain cases and amending R.S.55:14A-20.

3

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

6 1. R.S.55:14A-20 is amended to read as follows:

7 55:14A-20. Property exempt from taxes. All housing projects
8 of a housing authority, including all property of the public body or
9 bodies or housing authority or authorities comprising such housing
10 projects, are hereby declared to be public property devoted to an
11 essential public and governmental purpose. All such public
12 property devoted to such a public purpose shall be exempt from
13 all taxes and special assessments of the State or any political
14 subdivision thereof as long as such public property remains under
15 exclusive control and jurisdiction of a housing authority or public
16 body which owns or holds such property, and for a period not
17 exceeding 15 years after the transfer of title thereto pursuant to
18 a program of home ownership opportunities, as authorized under
19 R.S.55:14A-19, if (1) such continued exemption is determined by
20 the local housing authority to be necessary to the financial
21 feasibility of transition from public to private ownership, (2) the
22 resident owners of the resident management association,
23 condominium association or cooperative corporation shall
24 continue to receive, to the extent necessary, financial assistance
25 from the federal government during such continued exemption
26 period, and (3) the governing body of the municipality in which
27 the property is located approves the terms of such continued
28 exemption, including any agreement for payments in lieu of taxes
29 as authorized in this section; provided, however, that in lieu of
30 such taxes, the public body or resident management corporation,
31 condominium association or cooperative corporation which owns
32 or holds such property may agree to make payments to a political
33 subdivision for the services, improvements or facilities furnished
34 by it for the benefit of a housing project, but in no event shall
35 such payments: either (1) exceed the amount last levied as the
36 annual tax of such political subdivision upon the property included
37 in said project prior to the time of its acquisition by the aforesaid
38 public body or (2) be less than the amount last paid in lieu of

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 taxes to the political subdivision, attributed to, or prorated for,
2 the public housing project for which title is being transferred to
3 the residents thereof or to a resident management association or
4 cooperative corporation, by the public body by which title was
5 transferred to private ownership pursuant to a program of home
6 ownership opportunities as authorized in R.S.55:14A-19.

7 (cf: P.L.1991, c.225, s.2)

8 2. This act shall take effect immediately.

9
10
11 STATEMENT
12

13 P.L.1991, c.225, amending R.S.55:14A-20, was intended to
14 permit a transitional period (not exceeding 15 years) of local
15 property tax exemption to public housing project property when
16 the project is involved in a federal-government program to
17 enable the residents to acquire and manage the property. Under
18 previous law, such property could not qualify for the exemption
19 after title passed to the residents, although the federal
20 government continues a measure of subsidy during the
21 transitional period. The wording of the amendment, however,
22 implied that the property would be eligible for the local tax
23 exemption only so long as the federal subsidy remained no less
24 than it was before the tenant-ownership program began. This bill
25 makes it clear that the federal funding for such a project need
26 only continue "to the extent necessary" to maintain the project's
27 feasibility during the transition period.

28
29
30 HOUSING AND CONSTRUCTION
31

32 Clarifies eligibility for continued property tax exemption of
33 certain public housing project property during transition to
34 private ownership by tenants.

ASSEMBLY HOUSING COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5310

STATE OF NEW JERSEY

DATED: JANUARY 9, 1992

The Assembly Housing Committee reports favorably Assembly Bill No. 5310.

P.L.1991, c.225, amending R.S.55:14A-20, was intended to permit a transitional period (not exceeding 15 years) of local property tax exemption to public housing project property when the project is involved in a federal-government program to enable the residents to acquire and manage the property. Under previous law, such property could not qualify for the exemption after title passed to the residents, although the federal government continues a measure of subsidy during the transitional period. The wording of the amendment, however, implied that the property would be eligible for the local tax exemption only so long as the federal subsidy remained no less than it was before the tenant-ownership program began. This bill makes it clear that the federal funding for such a project need only continue "to the extent necessary" to maintain the project's feasibility during the transition period.