

54:1-68 to 54:1-83

LEGISLATIVE HISTORY CHECKLIST

NJSA: 54:1-68 to 54:1-83 ("Pinelands Municipal Property Tax Stabilization Act")

LAWS OF: 1983

CHAPTER: 551

Bill No: S1791/A2039

Sponsor(s): Saxton and Meyer

Date Introduced: October 18, 1982

Committee: **Assembly:** Revenue, Finance & Appropriations; Agriculture & Environment

Senate: Revenue, Finance & Appropriations; County & Municipal Government

Amended during passage: Yes Amendments during passage denoted by asterisks

Date of Passage: **Assembly:** July 11, 1983

Senate: February 24, 1983

Date of Approval: January 17, 1984

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: **Assembly** Yes 4-11-83 & 6-27-83

Senate Yes 10-25-82 & 2-2-93 & 9-15-83

Fiscal Note: No

Veto Message: No

Message on Signing: No

Following were printed:

Reports: No

Hearings: No

See newspaper clippings (attached):

"Bill would give aid to towns in Pinelands." Atlantic City Pr., February 23, 1983.

"Bill would ease tax burden in Pinelands." Asbury Park Pr., January 6, 1984.

"Pinelands tax aid now law." Atlantic City Press, January 18, 1984.

[SECOND OFFICIAL COPY REPRINT]
ASSEMBLY COMMITTEE SUBSTITUTE FOR
SENATE, No. 1791
and ASSEMBLY, No. 2039

STATE OF NEW JERSEY

ADOPTED: APRIL 11, 1983

By Senator SAXTON and Assemblyman MEYER

AN ACT providing for the distribution of certain funds to municipalities in certain cases for the purpose of offsetting property tax increases and establishing a "Pinelands Municipal Property Tax Stabilization Fund."

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

1 1. This act shall be known and may be cited as the "Pinelands
2 Municipal Property Tax Stabilization Act of ****[1982]** **1983**."**

1 2. The Legislature finds: a. that since enactment of the "Pine-
2 lands Protection Act," P. L. 1979, c. 111 (C. 13:18A-1 et seq.)
3 there is an apparent causal relationship to a decline in the value of
4 vacant land in the pinelands area and a resultant shift in property
5 taxes to other classes of property; b. that such a shift in property
6 taxes is an inequitable and undesirable circumstance; c. that it is
7 the responsibility of the State Government to protect the property
8 owners in municipalities effected by the "Pinelands Protection Act"
9 from a shift in property tax burden from vacant land to other
10 classes of property owing directly to the enactment of that act;
11 and d. that this protection is best provided by direct payments to
12 municipalities experiencing a shift of property tax burden in
13 amounts representing the property tax otherwise payable on vacant
14 land but not being assessed by reason of the decline in the value
15 of vacant land.

1 3. As used in this act:

2 a. "Base year" means the calendar year 1980.

**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 printed in italics thus is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

***—Assembly committee amendments adopted June 27, 1983.**

****—Senate committee amendments adopted September 15, 1983.**

3 “Board” means the Pinelands Municipal Property Tax Stabili-
4 zation Board created pursuant to section 4 of this act.

5 c. “Current tax year” means the most recent year for which a
6 report is filed pursuant to section 6 of this act.

7 d. “Director” means the Director of the Division of Taxation
8 in the Department of the Treasury.

9 e. “Pinelands National Reserve” means the approximately
10 1,000,000 acre area so designated by section 502 of the “National
11 Parks and Recreation Act of 1978,” Pub. L. 95-625 (16 U. S. C.
12 471 i) and generally depicted on the map entitled “Pinelands Na-
13 tional Reserve Boundary Map” numbered NPS/80.011A and dated
14 September, 1978.

15 ***[f.]** “Proprietary recreation facility” means a privately owned
16 or operated recreation area, stand, or access point at which a fee is
17 charged for the use of lands or waters for parks, natural areas,
18 historic areas, forests, camping, fishing, wildlife hunting, boating,
19 winter sports and similar uses for outdoor recreation, which fa-
20 cility is located in the Pinelands National Reserve.*

21 ***[g.]** **f.* “Qualified municipality” means any municipality
22 located, in whole or in part, in the Pinelands Area as designated in
23 the “Pinelands Protection Act,” P. L. 1979, c. 111 (C. 13:18A-1
24 et seq.).

25 ***[h.]** “Taxpayer” means the owner or operator of a proprietary
26 recreation facility.*

27 ***[i.]** **g.* “Tax rate” means that portion of the effective prop-
28 erty tax rate for the current tax year which reflects local taxes to be
29 raised for district school purposes and local municipal purposes,
30 calculated by dividing the total of column 12, section C by net valua-
31 tion on which county taxes are apportioned in column 11, both as re-
32 flected in the Abstract of Ratables for the current tax year, and
33 expressed as a rate per \$100.00 of true value.

34 ***[j.]** **h.* “True value of vacant land” or “true value” means
35 the aggregate assessed value of vacant land divided by the average
36 ratio of assessed-to-true value of real property (commonly known
37 as the equalization rate) promulgated by the director and published
38 in the table of equalized valuation.

39 ***[k.]** **i.* “Valuation base” means the change in the aggregate
39A true value of vacant land directly attributable to the implementation
40 of the “Pinelands Protection Act,” P. L. 1979, c. 111 (C. 13:18A-1
41 et seq.) in a qualified municipality when comparing the current
42 tax year to the base year.

1 4. a. There is established in the Department of the Treasury
2 the “Pinelands Municipal Property Tax Stabilization Board,”
3 which shall comprise three members to be appointed by the Gov-

4 ernor, with the advice and consent of the Senate, who shall be
5 recognized experts in the field of taxation.

6 b. The board shall, within 90 days of the effective date of this
7 act, establish procedures for determining the valuation base of a
8 qualified municipality, whether fiscal stress has been caused by
9 the implementation of the "Pinelands Protection Act," P. L. 1979,
10 c. 111 (C. 13:18A-1 et seq.) in a qualified municipality, and the
11 amount due a qualified municipality to compensate for a decline
12 in the aggregate true value of vacant land directly attributable
13 to the implementation of the "Pinelands Protection Act," P. L.
14 1979, c. 111 (C. 13:18A-1 et seq.).

1 5. a. There is established in the General Fund, for the purpose
2 of providing State aid to qualified municipalities a "Pinelands
3 Municipal Property Tax Stabilization Fund." All moneys ***[col-**
4 **lected pursuant to section 15]*** **appropriated for purposes of this*
5 *act** shall be deposited in the "Pinelands Municipal Property Tax
6 Stabilization Fund" ***[and shall be used by the director for the**
7 **purposes prescribed herein]***. Every qualified municipality shall
8 be entitled to a distribution from the fund as prescribed in this act.

9 ***[b.** In the event that revenues collected pursuant to section 15
10 of this act exceed the total amount due to all qualified municipalities
11 pursuant to section 7 of this act, the excess revenues may be used
12 to make payments in lieu of taxes on State property in the Pine-
13 lands area, pursuant to P. L. 198 , c. (C.) (now
14 pending before the Legislature as Assembly Bill No. 1977 of
15 1983).**]***

16 **b. The State Treasurer shall include in his annual budget re-*
17 *quest for State aid the amount required for deposit in the "Pine-*
18 *lands Municipal Property Tax Stabilization Fund".**

1 6. The assessor of every qualified municipality shall certify to
2 the county tax board on a form to be prescribed by the director,
3 and on or before December 1 annually, a report of the assessed
4 value of each parcel of vacant land in the base year and the
5 change in the assessed value of each such parcel in the current tax
6 year attributable to successful appeals of assessed values of vacant
7 land to the county tax board pursuant to R. S. 54:3-21 et seq. or
8 attributable to a revaluation approved by the director and imple-
9 mented or a reassessment approved by the county board of taxa-
10 tion. If a judgment or an appeal is overturned or modified, upon
11 a final judgment an appropriate adjustment shall be made by the
12 director in the payment of the entitlement due next following the
13 judgment. For the purposes of qualifying for an entitlement, as
14 prescribed in section 7 of this act, for the ****[1982]** **1983**** tax

15 year the assessor shall file the report within 15 days of the effective
16 date of this act.

1 7. a. Upon receipt of reports filed pursuant to section 6 of this
2 act and using procedures developed by the Board pursuant to
3 section 4 of this act, the county tax board shall compute and
4 certify to the director on or before December 20 of each year, in
5 such manner as to identify for each qualified municipality the
6 aggregate decline, if any, in the true value of vacant land com-
7 paring the current tax year to the base year. The aggregate
8 changes so identified for each qualified municipality shall constitute
9 its valuation base for purposes of this act.

10 b. The director shall, on or before January 10 of each year,
11 provide the board with all relevant information collected pursuant
12 to the provisions of this act and any other information deemed
13 necessary by the board to determine the valuation base.

14 c. Upon receipt of the information, the board shall make a final
15 determination on the valuation base of each qualified municipality;
16 calculate the amount due a qualified municipality, in accordance
17 with the procedures developed pursuant to section 4 of this act,
18 to compensate for a decline, if any, by multiplying its valuation
19 base by its tax rate; and certify to the director and the State
20 Treasurer, on or before February 1 of each year, that amount to
21 which each qualified municipality is entitled.

1 8. Upon receipt of the certification by the board, the State
2 Treasurer shall certify to each qualified municipality, on or before
3 February 15, its entitlement amount. A copy of the certified
4 amounts shall be forwarded to the Director of the Division of Local
5 Government Services.

1 9. The State Treasurer, upon warrant of the Director of the
2 Division of Budget and Accounting, shall pay to each qualified
3 municipality **its entitlement** as State aid from the sums available
4 in the "Pinelands Municipal Property Tax Stabilization Fund"
5 **[as of June 30 of each year its entitlement, if any,]** in two equal
6 installments on or before August 1 and on or before November 1,
7 annually.

1 10. Beginning in tax year 1984, no qualified municipality shall
2 be entitled to a payment pursuant to section 7 of this act unless
3 the municipality has revised its land use ordinance in compliance
4 with subsection b. of section 11 of P. L. 1979, c. 111 (C. 13:18A-12).

1 11. If an appropriation made for purposes of this act is insuffi-
2 cient to pay all entitlements, those municipalities located in whole
3 or in part in the preservation area, as designated in P. L. 1979,
4 c. 111 (C. 13:18A-1 et seq.) and which have suffered fiscal stress as

5 a result of the implementation of P. L. 1979, c. 111 (C. 13:18A-1
6 et seq.) shall have first priority in the disbursement of the amount
7 due a qualified municipality under the procedures developed pur-
8 suant to section 4 of this act, and the entitlement for each qualified
9 municipality not located in whole or in part in the preservation
10 area shall be reduced in the same proportion as the remaining
11 appropriation made is to the full entitlement amount.

1 12. Any municipality receiving a certification from the State
2 Treasurer pursuant to section 8 of this act shall anticipate such
3 sums in its annual budget or any amendments ****[on]**** ****or****
4 supplements thereto as a direct offset to the amount to be raised by
5 taxation.

1 13. a. The Director of the Division of Taxation in reviewing the
2 reports filed pursuant to section 6 of this act may make such
3 changes therein as he deems necessary to ensure that such reports
4 accurately reflect the change in the assessed value of vacant land.

5 b. The Director of the Division of Local Government Services
6 shall make such changes in the budget of any qualified municipality
7 to ensure that all sums received pursuant to this act are utilized
8 as a direct offset to the amount to be raised by taxation and shall
9 make such changes therein as he deems necessary to ensure that
10 such offset occurs.

1 14. Any sum received by a qualified municipality pursuant to
2 this act shall not be considered as an exception or exemption under
3 P. L. 1976, c. 68 (C. 40A:4-45.1 et seq.).

1 ***[15. a. There is levied upon all fees charged to users of pro-**
2 **proprietary recreation facilities a tax of 5% to be collected, and**
3 **forwarded to the director, by the owner or operator thereof.**

4 b. (1) Every owner or operator of a proprietary recreation
5 facility shall, on or before the twentieth day of the month following
6 the close of each calendar quarter, and quarterly thereafter, render
7 a return under oath to the director on a form or forms prescribed
8 by the director indicating the amount of money in fees collected,
9 and, at that time, the owner or operator shall forward the full
10 amount of the tax due.

11 (2) Every owner or operator of a proprietary recreation facility
12 shall, within 90 days of the effective date of this act, register with
13 the director on forms prescribed by him.

14 c. If a return required by this act is not filed, or if a return when
15 filed is incorrect or insufficient in the opinion of the director, the
16 amount of tax due shall be determined by the director from any
17 information as may be available. Notice of that determination
18 shall be given to the taxpayer liable for the payment of the tax.

19 The determination shall finally and irrevocably fix the tax unless
 20 the person against whom it is assessed, within 30 days after receiv-
 21 ing notice of the determination, shall apply to the director for a
 22 hearing, or unless the director on his own motion shall redetermine
 23 the same. After the hearing the director shall give notice of his
 24 determination to the person to whom the tax is assessed.

25 d. Any taxpayer who shall fail to file his return when due or to
 26 pay any tax when it becomes due, as herein provided, shall be
 27 subject to the penalties and interest provided in the "State Tax
 28 Uniform Procedure Law," Subtitle 9 of Title 54 of the Revised
 29 Statutes. If the director determines that the failure to comply with
 30 any provision of this section was excusable under the circumstances,
 31 he may remit part or all of the penalty as appropriate.

32 e. (1) Any person failing to file a return, failing to pay the tax,
 33 or filing or causing to be filed, or making or causing to be made,
 34 or giving or causing to be given any return, certificate, affidavit,
 35 representation, information, testimony or statement required or
 36 authorized by this act, or rules or regulations adopted hereunder
 37 which is willfully false, or failing to keep any records required
 38 by this act or rules and regulations adopted hereunder, shall, in
 39 addition to any other penalties herein or elsewhere prescribed, be
 40 guilty of a crime of the fourth degree.

41 (2) The certificate of the director to the effect that a tax has not
 42 been paid, that a return has not been filed, that information has
 43 not been supplied or that inaccurate information has been supplied
 44 pursuant to the provisions of this act or rules or regulations
 45 adopted hereunder shall be presumptive evidence thereof.

46 f. In addition to the other powers granted to the director in this
 47 section, he is authorized and empowered:

48 (1) To delegate to any officer or employee of his division any of
 49 his powers and duties as he may deem necessary to carry out
 50 efficiently the provisions of this section, and the person or persons
 51 to whom that power has been delegated shall possess and may
 52 exercise all of the powers and perform all of the duties delegated
 53 by the director;

54 (2) To prescribe and distribute all necessary forms for the
 55 implementation of this section.

56 g. The tax imposed by this section shall be governed in all
 57 respects by the provisions of the "State Tax Uniform Procedure
 58 Law," Subtitle 9 of Title 54 of the Revised Statutes, except only
 59 to the extent that a specific provision of this section may be in
 60 conflict therewith.]*

1 ***[16.]*** *15.* a. There is established a "Pinelands Municipal

2 Property Tax Stabilization Commission'' which shall comprise 10
 3 members as follows: The Commissioner of Environmental Protec-
 4 tion, the Director of the Division of Taxation in the Department of
 5 Treasury and the Chairman of the Pinelands Commission, or their
 6 designees, who shall serve ex officio; three members of the general
 7 public residing in the pinelands national reserve***■**, one of whom
 8 shall be an owner or operator of a proprietary recreation facility**■***
 9 appointed by the Governor with the advice and consent of the
 10 Senate; and four members of the Legislature, two to be appointed
 11 by the President of the Senate, each from a different political party
 12 and two to be appointed by the Speaker of the General Assembly,
 13 each from a different political party.

14 b. The Pinelands Commission shall submit a report to this com-
 15 mission documenting the long-term fiscal and economic impacts of
 16 the "Pinelands Protection Act," P. L. 1979, c. 111 (C. 13:18A-1 et
 17 seq.) on or before June 30, 1985. It shall be the duty of this com-
 18 mission to study and review this report, to conduct hearings as it
 19 deems necessary, and to submit a report to the Governor and the
 20 Legislature on or before December 31, 1985 on its findings and
 21 recommendations for appropriate executive or legislative action, to
 22 provide additional financial assistance which may be needed to
 23 stabilize property tax bases in qualified municipalities.

1 ***■17.■*** *16.* Notwithstanding the provisions of the "Local Bud-
 2 get Law" (N. J. S. 40A:4-1 et seq.), a municipality which qualifies
 3 for an entitlement pursuant to section 7 of this act may anticipate
 4 the amount of the entitlement in its annual budget for the year in
 5 which the entitlement is made. The Director of the Division of Local
 6 Government Services in the Department of Community Affairs
 7 shall, pursuant to the "Administrative Procedures Act," P. L.
 8 1968, c. 410 (C. 52:14B-1 et seq.) establish rules and regulations
 9 necessary to effectuate the provisions of this section.

1 ***■18.■*** *17.* This act shall take effect immediately and shall
 2 expire December 31, ****■1986■**** **1987**.

SENATE, No. 1791

STATE OF NEW JERSEY

INTRODUCED OCTOBER 18, 1982

By Senator SAXTON

Referred to Committee on County and Municipal Government

AN ACT providing for the distribution of certain funds to municipalities in certain cases for the purpose of offsetting property tax increases and establishing a "Pinelands Municipal Property Tax Stabilization Fund."

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

1 1. This act shall be known and may be cited as the "Pinelands
2 Municipal Property Tax Stabilization Act of 1982."

1 2. The Legislature finds: a. that since enactment of the "Pine-
2 lands Protection Act," P. L. 1979, c. 111 (C. 13:18A-1 et seq.)
3 there is an apparent causal relationship to a decline in the value
4 of vacant land in the pinelands area and a resultant shift in
5 property taxes to other classes of property; b. that such a shift
6 in property taxes is an inequitable and undesirable circumstance;
7 c. that it is the responsibility of the State Government to protect
8 the property owners in municipalities effected by the "Pinelands
9 Protection Act" from a shift in property tax burden from vacant
10 land to other classes of property owing directly to the enactment
11 of that act; and d. that this protection is best provided by direct
12 payments to municipalities experiencing a shift of property tax
13 burden in amounts representing the property tax otherwise pay-
14 able on vacant land but not being assessed by reason of the decline
15 in the value of vacant land.

1 3. As used in this act:

2 a. "Assessed valuation base" means the decline in the aggregate
3 assessed value of vacant land in a qualified municipality when
4 comparing the current tax year to the base year.

5 b. "Base year" means the calendar year 1980.

6 c. "Current tax year" means the most recent year for which
7 a report is filed pursuant to section 5.

8 d. "Director" means the Director of the Division of Taxation
9 in the Department of the Treasury.

10 e. "Qualified municipality" means any municipality located, in
11 whole or in part, in the Pinelands Preservation Area as designated
12 in the "Pinelands Protection Act," P. L. 1979, c. 111 (C. 13:18A-1
13 et seq.).

14 f. "Tax rate" means that portion of the general property tax
15 rate for the current tax year which reflects local taxes to be raised
16 for district school purposes and local municipal purposes, calcu-
17 lated by dividing the total of Column 12, Section C by net valua-
18 tion taxable in Column 6, both as reflected in the Abstract of
19 Ratables for the current tax year, and expressed as a rate per
20 \$100.00 of assessed value.

1 4. There is established in the General Fund, for the purpose of
2 providing State aid to qualified municipalities a "Pinelands
3 Municipal Property Tax Stabilization Fund." All amounts ap-
4 propriated for purposes of this act shall be deposited in the fund
5 and shall be distributed to qualified municipalities pursuant to
6 this act. Every qualified municipality shall be entitled to a distri-
7 bution from the fund as prescribed in this act.

1 5. The assessor of every qualified municipality shall file with
2 the director in a form to be prescribed by the director, and on or
3 before December 1 annually, a report of the assessed value of
4 each parcel of vacant land in the base year and the change in the
5 assessed value of each such parcel in the current tax year attribu-
6 table to successful appeals of assessed values of vacant land to
7 the county tax board pursuant to R. S. 54:3-21 et seq. or attribu-
8 table to a revaluation approved by the director and implemented.

1 6. a. Upon receipt of reports filed pursuant to section 5, the
2 director shall compile the information contained therein for all
3 qualified municipalities together with information contained in all
4 prior reports filed pursuant to section 5 in such manner as to
5 identify the aggregate decline, if any, in the assessed value of
6 vacant land comparing the current tax year to the base year. The
7 aggregate change so identified shall constitute the assessed valua-
8 tion base for purposes of this act.

9 b. The director shall calculate an entitlement amount for each
10 qualified municipality by multiplying the assessed valuation base
11 by the tax rate.

12 c. The director shall certify to the State Treasurer the entitle-

13 ment amounts for each qualifying municipality on or before
14 February 1, annually.

1 7. Upon receipt of the director's certification pursuant to sec-
2 tion 6c., the State Treasurer shall certify to each qualified
3 municipality on or before February 15 its entitlement amount.
4 A copy of the certified amounts shall be forwarded to the Director
5 of the Division of Local Government Services.

1 8. The State Treasurer, upon warrant of the Director of the
2 Division of Budget and Accounting, shall pay to each qualified
3 municipality as State aid from the sums available in the "Pine-
4 lands Municipal Property Tax Stabilization Fund" its entitlement,
5 if any, in two equal installments on or before August 1 and on or
6 before November 1, annually.

1 9. If an appropriation made for purposes of this act is insufficient
2 to pay all entitlements, the entitlement for each participating
3 municipality shall be reduced in the same proportion that the
4 appropriation made is to the full entitlement amount.

1 10. Any municipality receiving a certification from the State
2 Treasurer pursuant to section 7 shall anticipate such sum in its
3 annual budget or any amendments on supplements thereto as a
4 direct offset to the amount to be raised by taxation.

1 11. a. The Director of the Division of Taxation in reviewing the
2 reports filed pursuant to section 5 may make such changes therein
3 as he deems necessary to ensure that such reports accurately
4 reflect the change in the assessed value of vacant land.

5 b. The Director of the Division of Local Government Services
6 shall make such changes in the budget of any qualified municipality
7 to ensure that all sums received pursuant to this act are utilized
8 as a direct offset to the amount to be raised by taxation and shall
9 make such changes therein as he deems necessary to ensure that
10 such offset occurs.

1 12. Any sum received by a qualified municipality pursuant to
2 this act shall not be considered as an exception or exemption under
3 P. L. 1976, c. 68 (C. 40A:4-45.1 et seq.).

1 13. This act shall take effect immediately.

STATEMENT

This bill provides for State payments to municipalities in the Pinelands Preservation Area based on reduced land values resulting from the effects of the Pinelands Protection Act.

The purpose of the bill is to offset the tax shift effects of a decline in vacant land values. The desired result is to neutralize the effects of a valuation base decline on property tax rates.

ASSEMBLY, No. 2039

STATE OF NEW JERSEY

INTRODUCED OCTOBER 25, 1982

By Assemblymen MEYER, HAINES, HENDRICKSON, CHINNICI
and MUZIANI

AN ACT providing for the distribution of certain funds to municipalities in certain cases for the purpose of offsetting property tax increases and establishing a "Pinelands Municipal Property Tax Stabilization Fund."

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

1 1. This act shall be known and may be cited as the "Pinelands
2 Municipal Property Tax Stabilization Act of 1982."

1 2. The Legislature finds: a. that since enactment of the "Pine-
2 lands Protection Act," P. L. 1979, c. 111 (C. 13:18A-1 et seq.)
3 there is an apparent causal relationship to a decline in the value
4 of vacant land in the pinelands area and a resultant shift in
5 property taxes to other classes of property; b. that such a shift
6 in property taxes is an inequitable and undesirable circumstance;
7 c. that it is the responsibility of the State Government to protect
8 the property owners in municipalities effected by the "Pinelands
9 Protection Act" from a shift in property tax burden from vacant
10 land to other classes of property owing directly to the enactment
11 of that act; and d. that this protection is best provided by direct
12 payments to municipalities experiencing a shift of property tax
13 burden in amounts representing the property tax otherwise pay-
14 able on vacant land but not being assessed by reason of the decline
15 in the value of vacant land.

1 3. As used in this act:

2 a. "Assessed valuation base" means the decline in the aggregate
3 assessed value of vacant land in a qualified municipality when
4 comparing the current tax year to the base year.

5 b. "Base year" means the calendar year 1980.

6 c. "Current tax year" means the most recent year for which
7 a report is filed pursuant to section 5.

8 d. "Director" means the Director of the Division of Taxation
9 in the Department of the Treasury.

10 e. "Qualified municipality" means any municipality located, in
11 whole or in part, in the Pinelands Preservation Area as designated
12 in the "Pinelands Protection Act," P. L. 1979, c. 111 (C. 13:18A-1
13 et seq.).

14 f. "Tax rate" means that portion of the general property tax
15 rate for the current tax year which reflects local taxes to be raised
16 for district school purposes and local municipal purposes, calcu-
17 lated by dividing the total of Column 12, Section C by net valua-
18 tion taxable in Column 6, both as reflected in the Abstract of
19 Ratables for the current tax year, and expressed as a rate per
20 \$100.00 of assessed value.

1 4. There is established in the General Fund, for the purpose of
2 providing State aid to qualified municipalities a "Pinelands
3 Municipal Property Tax Stabilization Fund." All amounts ap-
4 propriated for purposes of this act shall be deposited in the fund
5 and shall be distributed to qualified municipalities pursuant to
6 this act. Every qualified municipality shall be entitled to a distri-
7 bution from the fund as prescribed in this act.

1 5. The assessor of every qualified municipality shall file with
2 the director in a form to be prescribed by the director, and on or
3 before December 1 annually, a report of the assessed value of
4 each parcel of vacant land in the base year and the change in the
5 assessed value of each such parcel in the current tax year attribu-
6 table to successful appeals of assessed values of vacant land to
7 the county tax board pursuant to R. S. 54:3-21 et seq. or attribu-
8 table to a revaluation approved by the director and implemented.

1 6. a. Upon receipt of reports filed pursuant to section 5, the
2 director shall compile the information contained therein for all
3 qualified municipalities together with information contained in all
4 prior reports filed pursuant to section 5 in such manner as to
5 identify the aggregate decline, if any, in the assessed value of
6 vacant land comparing the current tax year to the base year. The
7 aggregate change so identified shall constitute the assessed valua-
8 tion base for purposes of this act.

9 b. The director shall calculate an entitlement amount for each
10 qualified municipality by multiplying the assessed valuation base
11 by the tax rate.

12 c. The director shall certify to the State Treasurer the entitle-

13 ment amounts for each qualifying municipality on or before
14 February 1, annually.

1 7. Upon receipt of the director's certification pursuant to sec-
2 tion 6c., the State Treasurer shall certify to each qualified
3 municipality on or before February 15 its entitlement amount.
4 A copy of the certified amounts shall be forwarded to the Director
5 of the Division of Local Government Services.

1 8. The State Treasurer, upon warrant of the Director of the
2 Division of Budget and Accounting, shall pay to each qualified
3 municipality as State aid from the sums available in the "Pine-
4 lands Municipal Property Tax Stabilization Fund" its entitlement,
5 if any, in two equal installments on or before August 1 and on or
6 before November 1, annually.

1 9. If an appropriation made for purposes of this act is insufficient
2 to pay all entitlements, the entitlement for each participating
3 municipality shall be reduced in the same proportion that the
4 appropriation made is to the full entitlement amount.

1 10. Any municipality receiving a certification from the State
2 Treasurer pursuant to section 7 shall anticipate such sum in its
3 annual budget or any amendments on supplements thereto as a
4 direct offset to the amount to be raised by taxation.

1 11. a. The Director of the Division of Taxation in reviewing the
2 reports filed pursuant to section 5 may make such changes therein
3 as he deems necessary to ensure that such reports accurately
4 reflect the change in the assessed value of vacant land.

5 b. The Director of the Division of Local Government Services
6 shall make such changes in the budget of any qualified municipality
7 to ensure that all sums received pursuant to this act are utilized
8 as a direct offset to the amount to be raised by taxation and shall
9 make such changes therein as he deems necessary to ensure that
10 such offset occurs.

1 12. Any sum received by a qualified municipality pursuant to
2 this act shall not be considered as an exception or exemption under
3 P. L. 1976, c. 68 (C. 40A:4-45.1 et seq.).

1 13. This act shall take effect immediately.

STATEMENT

This bill provides for State payments to municipalities in the Pinelands Preservation Area based on reduced land values resulting from the effects of the Pinelands Protection Act.

The purpose of the bill is to offset the tax shift effects of a decline in vacant land values. The desired result is to neutralize the effects of a valuation base decline on property tax rates.

ASSEMBLY AGRICULTURE AND ENVIRONMENT
COMMITTEE

STATEMENT TO
ASSEMBLY COMMITTEE SUBSTITUTE FOR

SENATE, No. 1791

with Senate committee amendments

and ASSEMBLY, No. 2039

STATE OF NEW JERSEY

DATED: APRIL 11, 1983

The Assembly Committee Substitute for Senate Bill No. 1791 (Senate committee amendments) and Assembly Bill No. 2039 would establish a State aid program to municipalities located in whole or in part in the "Pinelands Protection Act," P. L. 1979, c. 111 (C. 13:18A-1 et seq.). The purpose of the program is to provide relief to municipalities, and through the municipalities to taxpayers, suffering from fiscal stress in the form of lower tax revenues directly attributable to the "Pinelands Protection Act."

The bill establishes the "Pinelands Municipal Property Tax Stabilization Board," charged with the responsibility of developing procedures for determining the valuation base of a qualified municipality, whether fiscal stress has occurred due to the implementation of the "Pinelands Protection Act," and the amount due a qualified municipality to compensate for the decline in the aggregate true value of vacant land directly attributable to the implementation of the "Pinelands Protection Act."

The cost of this program is estimated to be approximately \$1,000,000.00. The revenues to fund the program would be raised through a 5% tax on fees charged by proprietary recreation facilities located in the Pinelands National Reserve.

The bill also establishes a Pinelands Municipal Property Tax Stabilization Commission comprising 10 members of the executive and legislative branches of State government, and the general public residing in the Pinelands National Reserve. Of the three members of the general public, one shall be an owner or operator of a proprietary recreation facility.

In reporting this Committee Substitute, the Assembly Agriculture and Environment Committee expects the bill to be reviewed by the Assembly

Revenue, Finance and Appropriations Committee. In that review, it is requested that that committee specifically review the appropriateness of providing some sort of monetary relief to the owner or operator of a proprietary recreational facility with respect to the filing of the quarterly reports required by the bill.

ASSEMBLY REVENUE, FINANCE AND APPROPRIATIONS
COMMITTEE

STATEMENT TO
ASSEMBLY COMMITTEE SUBSTITUTE FOR

SENATE, No. 1791
and ASSEMBLY, No. 2039

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: JUNE 27, 1983

Senate Bill No. 1791, the "Pinelands Municipal Property Tax Stabilization Act of 1982," would provide for State aid payments to municipalities located in, or partially in, the Pinelands Preservation Area to stabilize property tax rates of those municipalities. The purpose of the bill is to provide State assistance to counter the effects of reduced land values for vacant land occasioned by the development restrictions of the "Pinelands Protection Act," P. L. 1979, c. 111 (C. 13:18A-1 et seq.). The effect has been a shift in tax burden from vacant lands to developed properties as owners of vacant lands have received assessment reductions through the tax appeals process, and as revaluations have occurred in the municipality.

The bill provides for State aid to these municipalities based upon the decline in assessment base since the 1980 base year, multiplied by the current municipal purposes tax rate and school district tax rate for the current tax year. Municipalities are required to use the State assistance to offset property taxes.

COMMITTEE AMENDMENTS:

As received by the committee this bill contained a 5% tax on all users of proprietary recreation facilities located in the Pinelands area. This tax was intended to finance the State aid program established in the bill. This tax has been deleted by the committee. The appropriateness of such a tax from the perspective of requirements of the Constitution remains a question.

The program will be funded from the General Fund by appropriation. Such appropriation will be first required in fiscal year 1985 for payment to municipalities in the calendar year 1984.

FISCAL IMPACT:

The cost of this program is estimated to be approximately \$700,000.00 to \$800,000.00 as reported to the Office of Legislative Services by the Division of Taxation and the Department of Community Affairs.

SENATE COUNTY AND MUNICIPAL GOVERNMENT
COMMITTEE

STATEMENT TO

SENATE, No. 1791

with Senate committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 25, 1982

Senate Bill No. 1791, the "Pinelands Municipal Property Tax Stabilization Act of 1982," would provide for State aid payments to municipalities located in, or partially in, the Pinelands Preservation Area to stabilize property tax rates of those municipalities. The purpose of the bill is to provide State assistance to counter the effects of reduced land values for vacant land occasioned by the development restrictions of the "Pinelands Protection Act," P. L. 1979, c. 111 (C. 13:18A-1 et seq.). The effect has been a shift in tax burden from vacant lands to developed properties as owners of vacant lands have received assessment reductions through the tax appeals process, and as revaluations have occurred in the municipality.

The bill provides for State aid to these municipalities based upon the decline in assessment base since the 1980 base year, multiplied by the current municipal purposes tax rate and school district tax rate for the current tax year. Municipalities are required to use the State assistance to offset property taxes.

The Senate Committee amendments merely clarify the calculation of the entitlement amounts for the qualifying municipalities.

SENATE REVENUE, FINANCE AND APPROPRIATIONS
COMMITTEE

STATEMENT TO

SENATE, No. 1791

[OFFICIAL COPY REPRINT]

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 9, 1983

Senate Bill No. 1791, as amended by the committee, establishes a State aid program to municipalities located in whole or in part in the Pinelands Preservation Area. The purpose of the program is to protect owners of property other than vacant land from a shift in the property tax burden from vacant land to other classes that are directly attributable to the Pinelands Preservation Act.

The bill establishes a three member "Pinelands Municipal Property Tax Stabilization Board" whose responsibility it will be to determine the reduction in the assessed value of vacant land that is directly attributable to the implementation of the Pinelands Preservation Act and to calculate the amount due a qualified municipality to compensate for those lost revenues.

There is also imposed a 5% tax on all fees charged to users of proprietary recreation facilities located in the Pinelands area. The receipts from this tax are to be deposited in the "Pinelands Municipal Property Tax Stabilization Fund" to be used to fund the aid program established by this bill.

The bill also establishes a 10 member "Pinelands Municipal Property Tax Stabilization Committee" consisting of the Commissioner of Environmental Protection; the Director of the Division of Taxation; and the chairman of the Pinelands Commission, or their designees; three citizens from the southern part of the State appointed by the Governor; and two senators and two assemblymen.

This body is to review the long term fiscal and economic impacts of the "Pinelands Protection Act" and submit a report and recommendation on or before December 31, 1985.

The act takes effect immediately and expires December 31, 1986.

FISCAL IMPLICATIONS

A fiscal estimate on this bill, prepared by the Office of Legislative Services, Division of Budget and Program Review, indicates an esti-

mated cost in fiscal year 1984 of \$1,000,000.00, to be offset by revenue generated from the 5% tax on user fees imposed under the bill.

The revenue from the 5% tax on user fees constitutes the funding for the bill. Therefore, any costs are fixed to the extent of revenue generated. The Legislature is, of course, always free to supplement the fund. The bill is, however, self funding.

SENATE REVENUE, FINANCE AND APPROPRIATIONS
COMMITTEE

STATEMENT TO
ASSEMBLY COMMITTEE SUBSTITUTE FOR

SENATE, No. 1791
and ASSEMBLY, No. 2039

[OFFICIAL COPY REPRINT]
with Senate committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 15, 1983

The Official Copy Reprint of Assembly Committee Substitute for Senate Bill No. 1791 and Assembly Bill No. 2039 OCR, the "Pinelands Municipal Property Tax Stabilization Act of 1982," would provide for State aid payments to municipalities located in, or partially in, the Pinelands Preservation Area to stabilize property tax rates of those municipalities. The purpose of the bill is to provide State assistance to counter the effects of reduced land values for vacant land occasioned by the development restrictions of the "Pinelands Protection Act," P. L. 1979, c. 111 (C. 13:18A-1 et seq.). The effect has been a shift in tax burden from vacant lands to developed properties as owners of vacant lands have received assessment reductions through the tax appeals process, and as revaluations have occurred in the municipality.

The bill provides for State aid to these municipalities based upon the decline in assessment base since the 1980 base year, multiplied by the current equalized municipal purposes and school district tax rates for the current tax year. Municipalities are required to use the State assistance to offset property taxes.

The program will be funded from the General Fund by appropriation. Such appropriation will be first required in fiscal year 1985 for payment to municipalities in the calendar year 1984.

FISCAL IMPACT:

The cost of this program is estimated to be approximately \$700,000.00 to \$800,000.00 as reported to the Office of Legislative Services by the Division of Taxation and the Department of Community Affairs.

COMMITTEE AMENDMENTS:

The committee amended the bill to update the several dates in the measure as it was originally introduced in October of 1982.