

S2120

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|----------------------------------------------------------------|---------------------|
| SPONSORS STATEMENT: (Begins on page 5 of original bill) | Yes |
| COMMITTEE STATEMENT: | ASSEMBLY: No |
| | SENATE: Yes |
| FLOOR AMENDMENT STATEMENTS: | No |
| LEGISLATIVE FISCAL ESTIMATE: | No |
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| REPORTS: | No |
| HEARINGS: | No |
| NEWSPAPER ARTICLES: | Yes |

"New tax break now law for seniors and disabled," 10-31-2001 Star Ledger, p.17

ASSEMBLY, No. 3082

STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED JANUARY 9, 2001

Sponsored by:

Assemblyman JACK COLLINS

District 3 (Salem, Cumberland and Gloucester)

Assemblyman SAMUEL D. THOMPSON

District 13 (Middlesex and Monmouth)

Co-Sponsored by:

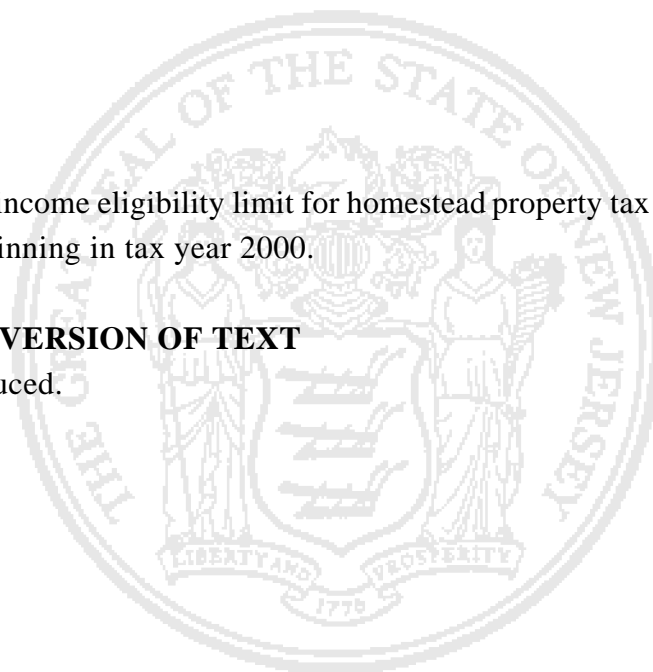
Assemblyman Zecker, Assemblywoman Heck, Assemblymen Chatzidakis, O'Toole, Weingarten, Assemblywoman Vandervalk, Assemblymen Biondi, Rooney, Wolfe, Talarico, Holzapfel, Cottrell, Blee, Russo, Arnone, DiGaetano, Corodemus, T.Smith, Assemblywoman Myers, Assemblymen Bagger, Lance, Moran, Bodine, Merkt, Garrett, Azzolina, Bateman, Gibson, Asselta, Assemblywomen Farragher, Murphy, Assemblymen LeFevre, Geist, Kelly, Malone, DeCroce, Gregg, Felice, Stuhltrager and Connors

SYNOPSIS

Increases income eligibility limit for homestead property tax reimbursement program beginning in tax year 2000.

CURRENT VERSION OF TEXT

As introduced.



A3082 COLLINS, THOMPSON

2

1 AN ACT concerning income qualification limits for the homestead
2 property tax reimbursement program and amending P.L.1997,
3 c.348.

4

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

7

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

10 1. As used in this act:

11 "Base year" means, in the case of a person who is an eligible
12 claimant on or before December 31, 1997, the tax year 1997; and in
13 the case of a person who first becomes an eligible claimant after
14 December 31, 1997, the tax year in which the person first becomes an
15 eligible claimant.

16 "Commissioner" means the Commissioner of Health and Senior
17 Services.

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

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

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

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

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

38 "Eligible claimant" means a person who:

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

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

42 has an annual income of less than \$17,918 in tax year 1998, less
43 than \$18,151 in tax year 1999, or less than \$36,302 in tax year 2000,

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 if single, or, if married, whose annual income combined with that of
2 the spouse is less than \$21,970 in tax year 1998, less than \$22,256 in
3 tax year 1999, or less than \$44,512 in tax year 2000, which income
4 eligibility limits for single and married persons shall be subject to
5 adjustments in subsequent tax years pursuant to section 9 of P.L.1997,
6 c.348 (C.54:4-8.68);

7 as a renter or homeowner, has made a long-term contribution to the
8 fabric, social structure and finances of one or more communities in this
9 State, as demonstrated through the payment of property taxes directly,
10 or through rent, on any homestead or rental unit used as a principal
11 residence in this State for at least 10 consecutive years at least three
12 of which as owner of the homestead for which a homestead property
13 tax reimbursement is sought prior to the date that an application for a
14 homestead property tax reimbursement is filed.

15 "Homestead" means:

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

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

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

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

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

45 a unit in a cooperative or mutual housing corporation which
46 constitutes the place of domicile of a residential shareholder or lessee

1 therein, or of a lessee or shareholder who is not a residential
2 shareholder therein, which is used by the eligible claimant as the
3 eligible claimant's principal residence.

4 "Homestead property tax reimbursement" means payment of the
5 difference between the amount of property tax or site fee constituting
6 property tax due and paid in any year on any homestead, exclusive of
7 improvements not included in the assessment on the real property for
8 the base year, and the amount of property tax or site fee constituting
9 property tax due and paid in the base year, when the amount paid in
10 the base year is the lower amount; but such calculations shall be
11 reduced by any current year property tax reductions or reductions in
12 site fees constituting property taxes resulting from judgments entered
13 by county boards of taxation or the State Tax Court.

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

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

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

22 (2) Is built on a permanent chassis;

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

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

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

42 (1) The construction and maintenance of streets;

43 (2) Lighting of streets and other common areas;

44 (3) Garbage removal;

45 (4) Snow removal; and

46 (5) Provisions for the drainage of surface water from home sites

1 and common areas.

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

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

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

15 "Property tax" means the general property tax due and paid as set
16 forth in this section, on a homestead, but does not include special
17 assessments and interest and penalties for delinquent taxes.

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

20 "Tax year" means the calendar year in which a homestead is
21 assessed and the property tax is levied thereon.

22 (cf: P.L.1997, c.348, s.1)

23

24 2. This act shall take effect immediately.

25

26

27

STATEMENT

28

29 This bill increases the income eligibility limits for the homestead
30 property tax reimbursement program beginning in tax year 2000.

31 Under the bill, the income eligibility limits will increase from
32 \$18,151 in tax year 1999 to \$36,302 in tax year 2000 for single
33 claimants and from \$22,256 in tax year 1999 to \$44,512 in tax year
34 2000 for married couples. This increase in the income limits will allow
35 additional senior citizens to benefit from this program, which
36 effectively provides a freeze on the property tax increases of eligible
37 senior citizens.

38 The bill also specifically sets out the tax year 1999 income eligibility
39 limit increase that was implemented by the Director of the Division of
40 Taxation pursuant to section 9 of P.L.1997, c.348 (C.54:4-8.69) to
41 match the Social Security benefit cost of living adjustment for that
42 year.

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, Nos. 3082 and 1338

STATE OF NEW JERSEY
209th LEGISLATURE

ADOPTED FEBRUARY 5, 2001

Sponsored by:

Assemblyman JACK COLLINS

District 3 (Salem, Cumberland and Gloucester)

Assemblyman SAMUEL D. THOMPSON

District 13 (Middlesex and Monmouth)

Assemblyman ALAN M. AUGUSTINE

District 22 (Middlesex, Morris, Somerset and Union)

Co-Sponsored by:

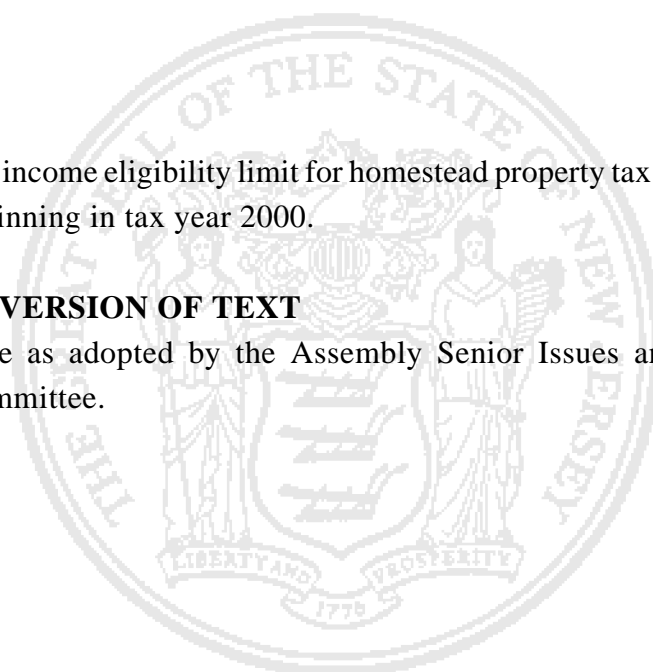
Assemblyman Zecker, Assemblywoman Heck, Assemblymen Chatzidakis, O'Toole, Weingarten, Assemblywoman Vandervalk, Assemblymen Biondi, Rooney, Wolfe, Talarico, Holzapfel, Cottrell, Blee, Russo, Arnone, DiGaetano, Corodemus, T. Smith, Assemblywoman Myers, Assemblymen Bagger, Lance, Moran, Bodine, Merkt, Garrett, Azzolina, Bateman, Gibson, Asselta, Assemblywomen Farragher, Murphy, Assemblymen LeFevre, Geist, Kelly, Malone, DeCroce, Gregg, Felice, Stuhltrager and Connors

SYNOPSIS

Increases income eligibility limit for homestead property tax reimbursement program beginning in tax year 2000.

CURRENT VERSION OF TEXT

Substitute as adopted by the Assembly Senior Issues and Community Services Committee.



1 **AN ACT** concerning income qualification limits for the homestead
2 property tax reimbursement program and amending P.L.1997,
3 c.348.

4

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

7

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

10 1. As used in this act:

11 "Base year" means, in the case of a person who is an eligible
12 claimant on or before December 31, 1997, the tax year 1997; and in
13 the case of a person who first becomes an eligible claimant after
14 December 31, 1997, the tax year in which the person first becomes an
15 eligible claimant.

16 "Commissioner" means the Commissioner of Health and Senior
17 Services.

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

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

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

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

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

38 "Eligible claimant" means a person who:

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

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

42 has an annual income of less than \$17,918 in tax year 1998, less
43 than \$18,151 in tax year 1999, or less than \$36,302 in tax year 2000,

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

Matter underlined thus is new matter.

1 if single, or, if married, whose annual income combined with that of
2 the spouse is less than \$21,970 in tax year 1998, less than \$22,256 in
3 tax year 1999, or less than \$44,512 in tax year 2000, which income
4 eligibility limits for single and married persons shall be subject to
5 adjustments in subsequent tax years pursuant to section 9 of P.L.1997,
6 c.348 (C.54:4-8.68);

7 as a renter or homeowner, has made a long-term contribution to
8 the fabric, social structure and finances of one or more communities
9 in this State, as demonstrated through the payment of property taxes
10 directly, or through rent, on any homestead or rental unit used as a
11 principal residence in this State for at least 10 consecutive years at
12 least three of which as owner of the homestead for which a homestead
13 property tax reimbursement is sought prior to the date that an
14 application for a homestead property tax reimbursement is filed.

15 "Homestead" means:

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

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

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

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

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

45 a unit in a cooperative or mutual housing corporation which
46 constitutes the place of domicile of a residential shareholder or lessee

1 therein, or of a lessee or shareholder who is not a residential
2 shareholder therein, which is used by the eligible claimant as the
3 eligible claimant's principal residence.

4 "Homestead property tax reimbursement" means payment of the
5 difference between the amount of property tax or site fee constituting
6 property tax due and paid in any year on any homestead, exclusive of
7 improvements not included in the assessment on the real property for
8 the base year, and the amount of property tax or site fee constituting
9 property tax due and paid in the base year, when the amount paid in
10 the base year is the lower amount; but such calculations shall be
11 reduced by any current year property tax reductions or reductions in
12 site fees constituting property taxes resulting from judgments entered
13 by county boards of taxation or the State Tax Court.

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

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

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

22 (2) Is built on a permanent chassis;

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

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

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

42 (1) The construction and maintenance of streets;

43 (2) Lighting of streets and other common areas;

44 (3) Garbage removal;

45 (4) Snow removal; and

46 (5) Provisions for the drainage of surface water from home sites

1 and common areas.

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

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

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

15 "Property tax" means the general property tax due and paid as set
16 forth in this section, on a homestead, but does not include special
17 assessments and interest and penalties for delinquent taxes.

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

20 "Tax year" means the calendar year in which a homestead is
21 assessed and the property tax is levied thereon.

22 (cf: P.L.1997, c.348, s.1)

23

24 2. This act shall take effect immediately.

ASSEMBLY SENIOR ISSUES AND COMMUNITY SERVICES
COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, Nos. 3082 and 1338

STATE OF NEW JERSEY

DATED: FEBRUARY 5, 2001

The Assembly Senior Issues and Community Services Committee reports favorably Assembly Committee Substitute for Assembly Bill Nos. 3082 and 1338.

This committee substitute increases the income eligibility limits for the homestead property tax reimbursement program beginning in tax year 2000.

Under the substitute, the income eligibility limits will increase from \$18,151 in tax year 1999 to \$36,302 in tax year 2000 for single claimants and from \$22,256 in tax year 1999 to \$44,512 in tax year 2000 for married couples. This increase in the income limits will allow additional senior citizens to benefit from this program, which effectively provides a freeze on the property tax increases of eligible senior citizens.

The substitute also provides that the annual income eligibility limit for single and married persons will be subject to adjustments in subsequent tax years by the amount of the annual maximum social security benefit cost of living adjustment.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR **ASSEMBLY, Nos. 3082 and 1338**

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: MAY 3, 2001

The Assembly Appropriations Committee reports favorably Assembly Bill Nos. 3082 and 1338 (ACS) with committee amendments.

Assembly Bill Nos. 3082 and 1338 (ACS), as amended, increases the income eligibility limits for the homestead property tax reimbursement program beginning in tax year 2000.

Under the bill, the income eligibility limits will increase from \$18,151 in tax year 1999 to \$37,174 in tax year 2000 for single claimants and from \$22,256 in tax year 1999 to \$45,582 in tax year 2000 for married couples. This increase in the income limits will allow additional senior citizens to benefit from this program, which effectively provides a freeze on the property tax increases of eligible senior citizens.

The bill also provides that the annual income eligibility limit for single and married persons will be subject to adjustments in subsequent tax years by the amount of the annual maximum social security benefit cost of living adjustment.

FISCAL IMPACT:

The fiscal impact of this bill, as amended, has been estimated at \$9 million in its first year of implementation.

COMMITTEE AMENDMENTS:

The amendments:

- C Adjust the income limits upward for tax year 2000 (and thereafter) to account for a cost of living adjustment that would otherwise have applied to tax year 2000,
- C amend the definition of tax year, which currently only applies to calendar years in which property taxes are paid, to also apply to calendar years in which income is received or accrued, and
- C make the application of the increased eligibility limits retroactive to base year determinations for tax year 2000 and thereafter, to assure that tax year 2000 will be the base year for those newly

eligible under the increased income limits. This will allow calendar year 2001 to be a "reimbursement year" for those newly eligible, and allow them to receive benefits in calendar year 2002.

[First Reprint]

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, Nos. 3082 and 1338

—————
STATE OF NEW JERSEY
209th LEGISLATURE
—————

ADOPTED FEBRUARY 5, 2001

Sponsored by:

Assemblyman JACK COLLINS

District 3 (Salem, Cumberland and Gloucester)

Assemblyman SAMUEL D. THOMPSON

District 13 (Middlesex and Monmouth)

Assemblyman ALAN M. AUGUSTINE

District 22 (Middlesex, Morris, Somerset and Union)

Co-Sponsored by:

Assemblyman Zecker, Assemblywoman Heck, Assemblymen Chatzidakis, O'Toole, Weingarten, Assemblywoman Vandervalk, Assemblymen Biondi, Rooney, Wolfe, Talarico, Holzapfel, Cottrell, Blee, Russo, Arnone, DiGaetano, Corodemus, T.Smith, Assemblywoman Myers, Assemblymen Bagger, Lance, Moran, Bodine, Merkt, Garrett, Azzolina, Bateman, Gibson, Asselta, Assemblywomen Farragher, Murphy, Assemblymen LeFevre, Geist, Kelly, Malone, DeCroce, Gregg, Felice, Stuhltrager, Connors, Assemblywoman Gill, Assemblyman Suliga, Assemblywoman Watson Coleman, Senators Matheussen, Kosco, Allen, Bucco, Cafiero, Zane, Sinagra, Inverso, Sacco and Turner

SYNOPSIS

Increases income eligibility limit for homestead property tax reimbursement program beginning in tax year 2000.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on May 3, 2001, with amendments.

(Sponsorship Updated As Of: 10/9/2001)

1 **AN ACT** concerning income qualification limits for the homestead
2 property tax reimbursement program and amending P.L.1997,
3 c.348.

4

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

7

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

10 1. As used in this act:

11 "Base year" means, in the case of a person who is an eligible
12 claimant on or before December 31, 1997, the tax year 1997; and in
13 the case of a person who first becomes an eligible claimant after
14 December 31, 1997, the tax year in which the person first becomes an
15 eligible claimant.

16 "Commissioner" means the Commissioner of Health and Senior
17 Services.

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

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

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

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

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

38 "Eligible claimant" means a person who:

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

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

42 has an annual income of less than \$17,918 in tax year 1998, less

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AAP committee amendments adopted May 3, 2001.

1 than \$18,151 in tax year 1999, or less than ¹[\$36,302]\$37,174¹ in tax
2 year 2000, if single, or, if married, whose annual income combined
3 with that of the spouse is less than \$21,970 in tax year 1998, less than
4 \$22,256 in tax year 1999, or less than ¹[\$44,512]\$45,582¹ in tax year
5 2000, which income eligibility limits for single and married persons
6 shall be subject to adjustments in subsequent tax years pursuant to
7 section 9 of P.L.1997, c.348 (C.54:4-8.68);

8 as a renter or homeowner, has made a long-term contribution to
9 the fabric, social structure and finances of one or more communities
10 in this State, as demonstrated through the payment of property taxes
11 directly, or through rent, on any homestead or rental unit used as a
12 principal residence in this State for at least 10 consecutive years at
13 least three of which as owner of the homestead for which a homestead
14 property tax reimbursement is sought prior to the date that an
15 application for a homestead property tax reimbursement is filed.

16 "Homestead" means:

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

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

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

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

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

46 a unit in a cooperative or mutual housing corporation which

1 constitutes the place of domicile of a residential shareholder or lessee
2 therein, or of a lessee or shareholder who is not a residential
3 shareholder therein, which is used by the eligible claimant as the
4 eligible claimant's principal residence.

5 "Homestead property tax reimbursement" means payment of the
6 difference between the amount of property tax or site fee constituting
7 property tax due and paid in any year on any homestead, exclusive of
8 improvements not included in the assessment on the real property for
9 the base year, and the amount of property tax or site fee constituting
10 property tax due and paid in the base year, when the amount paid in
11 the base year is the lower amount; but such calculations shall be
12 reduced by any current year property tax reductions or reductions in
13 site fees constituting property taxes resulting from judgments entered
14 by county boards of taxation or the State Tax Court.

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

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

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

23 (2) Is built on a permanent chassis;

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

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

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

43 (1) The construction and maintenance of streets;

44 (2) Lighting of streets and other common areas;

45 (3) Garbage removal;

46 (4) Snow removal; and

1 (5) Provisions for the drainage of surface water from home sites
2 and common areas.

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

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

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

16 "Property tax" means the general property tax due and paid as set
17 forth in this section, on a homestead, but does not include special
18 assessments and interest and penalties for delinquent taxes.

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

21 "Tax year" means the calendar year in which a homestead is
22 assessed and the property tax is levied thereon ¹and it means the
23 calendar year in which income is received or accrued¹.

24 (cf: P.L.1997, c.348, s.1)

25

26 2. This act shall take effect immediately ¹and apply retroactively
27 to base year determinations for tax year 2000 and thereafter¹.

[Corrected Copy]

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, Nos. 3082 and 1338

STATE OF NEW JERSEY

DATED: JUNE 28, 2001

The Senate Budget and Appropriations Committee reports favorably Assembly Bill Nos. 3082 and 1338 (ACS/1R).

This bill would increase the income eligibility limits for the homestead property tax reimbursement program beginning in tax year 2000.

The homestead property tax reimbursement program provides certain senior and disabled homeowners a reimbursement of any annual increase in property taxes above the amount of the tax liability for the year in which the homeowner became eligible for the program. The program applies to anyone who

- < is 65 or more years of age, or who is a disabled person;
- < is an owner of a homestead or leases a site in a mobile home park on which site the person owns a manufactured or mobile home;
- < has an annual income below the amount specified in the law governing the program; and
- < has paid property taxes directly, or through rent, on any homestead or rental unit used as a principal residence in this State for at least 10 consecutive years, at least three of which were as owner of the homestead for which a reimbursement is sought.

Under the bill, the income eligibility limits for the program will increase from \$18,151 in tax year 1999 to \$37,174 in tax year 2000 for single claimants and from \$22,256 in tax year 1999 to \$45,582 in tax year 2000 for married couples. This increase in the income limits will allow additional senior and disabled citizens to benefit from the program, which effectively holds qualified participants harmless from property tax increases on their homestead after establishing their "base year" liability for the tax.

The substitute provides explicitly that the cost of living adjustment in the annual income eligibility limit, already mandated by law and measured by the amount of the corresponding adjustment in the annual

maximum social security benefit, will be applicable to the new income limits under the bill.

FISCAL IMPACT

The fiscal impact of this bill is difficult to estimate due to the lack of available data on the income of senior homeowners, which is not separately reported as part of State income tax statistics and has not yet been published from data collected in the 2000 census. Also, estimates as to the number of eligible claimants that may be added to the program may not accurately reflect the number of participants that enter the expanded program. The participation rate in the program has been far lower than had been estimated at the onset of the program, with no satisfactory explanation.

The first year fiscal impact for State reimbursements will not occur until July, 2002, during State fiscal year 2003, when approximately 75,000 new participants would be paid a reimbursement equal to the difference between their tax year 2000 ("base year") and tax year 2001 local property tax bills. An estimate prepared by the Division of Taxation of the first year costs of \$8.6 million assumes that there would be no change from the average claim paid under the first year of the reimbursement program (\$115 in fiscal year 2000) even though higher income taxpayers with higher average property tax bills may become participants. An estimate that would assume a higher average initial benefit of \$151 for approximately 75,000 new higher income participants would cost approximately \$11.3 million in the first year. The average claim paid would increase in subsequent years of the program that participants continue to participate as annual property tax increases that occur after the "base year" freeze are added to the participants' reimbursement benefit. The loss of eligibility by participants, who lose their homestead eligibility due to change in home ownership status or through income disqualification, may limit the growth in subsequent years' costs of a number of long-term eligible participants. This savings from the loss of high reimbursement participants may be partially offset as newly eligible participants join at lower average claims costs. However, the actual estimate of the fiscal impact of these factors on subsequent years' costs cannot be determined.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY COMMITTEE SUBSTITUTE FOR ASSEMBLY, Nos. 3082 and 1338

STATE OF NEW JERSEY

DATED: JUNE 28, 2001

The Senate Budget and Appropriations Committee reports favorably the for Assembly Bill Nos. 3082 and 1338 (ACS/1R).

This bill would increase the income eligibility limits for the homestead property tax reimbursement program beginning in tax year 2000.

The homestead property tax reimbursement program provides certain senior and disabled homeowners a reimbursement of any annual increase in property taxes above the amount of the tax liability for the year in which the homeowner became eligible for the program. The program applies to anyone who

- < is 65 or more years of age, or who is a disabled person;
- < is an owner of a homestead or leases a site in a mobile home park on which site the person owns a manufactured or mobile home;
- < has an annual income below the amount specified in the law governing the program; and
- < has paid property taxes directly, or through rent, on any homestead or rental unit used as a principal residence in this State for at least 10 consecutive years, at least three of which were as owner of the homestead for which a reimbursement is sought.

Under the bill, the income eligibility limits for the program will increase from \$18,151 in tax year 1999 to \$34,174,000 in tax year 2000 for single claimants and from \$22,256 in tax year 1999 to \$45,582 in tax year 2000 for married couples. This increase in the income limits will allow additional senior and disabled citizens to benefit from the program, which effectively holds qualified participants harmless from property tax increases on their homestead after establishing their "base year" liability for the tax.

The substitute provides explicitly that the cost of living adjustment in the annual income eligibility limit, already mandated by law and measured by the amount of the corresponding adjustment in the annual maximum social security benefit, will be applicable to the new income limits under the bill.

FISCAL IMPACT

The fiscal impact of this bill is difficult to estimate due to the lack of available data on the income of senior homeowners, which is not separately reported as part of State income tax statistics and has not yet been published from data collected in the 2000 census. Also, estimates as to the number of eligible claimants that may be added to the program may not accurately reflect the number of participants that enter the expanded program. The participation rate in the program has been far lower than had been estimated at the onset of the program with no satisfactory explanation.

The first year fiscal impact for State reimbursements will not occur until July, 2002, during State fiscal year 2003, when approximately 75,000 new participants would be paid a reimbursement equal to the difference between their tax year 2000 ("base year") and tax year 2001 local property tax bills. An estimate prepared by the Division of Taxation of the first year costs of \$8.6 million assumes that there would be no change from the average claim paid under the first year of the reimbursement program (\$115 in fiscal year 2000) even though higher income taxpayers with higher average property tax bills may become participants. An estimate that would assume a higher average initial benefit of \$151 for approximately 75,000 new higher income participants would cost approximately \$11.3 million in the first year. The average claim paid would increase in subsequent years of the program that participants continue to participate as annual property tax increases that occur after the "base year" freeze are added to the participant's reimbursement benefit. The loss of eligibility by participants, who lose their homestead eligibility due to change in homeownership status or through income disqualification, may limit the growth in subsequent years costs of a number of long-term eligible participants. This savings from the loss of high reimbursement participants may be partially offset as newly eligible participants join at lower average claims costs. However, the actual estimate of the fiscal impact of these factors on subsequent years costs cannot be determined.

SENATE, No. 2120

STATE OF NEW JERSEY 209th LEGISLATURE

INTRODUCED FEBRUARY 15, 2001

Sponsored by:

Senator JOHN J. MATHEUSSEN
District 4 (Camden and Gloucester)
Senator LOUIS F. KOSCO
District 38 (Bergen)

Co-Sponsored by:

Senators Allen, Bucco, Cafiero, Zane, Sinagra and Inverso

SYNOPSIS

Increases income eligibility limit for homestead property tax reimbursement program beginning in tax year 2000.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/25/2001)

S2120 MATHEUSSEN, KOSCO

2

1 AN ACT concerning income qualification limits for the homestead
2 property tax reimbursement program and amending P.L.1997,
3 c.348.

4

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

7

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

10 1. As used in this act:

11 "Base year" means, in the case of a person who is an eligible
12 claimant on or before December 31, 1997, the tax year 1997; and in
13 the case of a person who first becomes an eligible claimant after
14 December 31, 1997, the tax year in which the person first becomes an
15 eligible claimant.

16 "Commissioner" means the Commissioner of Health and Senior
17 Services.

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

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

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

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

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

38 "Eligible claimant" means a person who:

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

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

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 has an annual income of less than \$17,918 in tax year 1998, less
2 than \$18,151 in tax year 1999, or less than \$36,302 in tax year 2000,
3 if single, or, if married, whose annual income combined with that of
4 the spouse is less than \$21,970 in tax year 1998, less than \$22,256 in
5 tax year 1999, or less than \$44,512 in tax year 2000, which income
6 eligibility limits for single and married persons shall be subject to
7 adjustments in subsequent tax years pursuant to section 9 of P.L. 1997,
8 c.348 (C.54:4-8.68);

9 as a renter or homeowner, has made a long-term contribution to the
10 fabric, social structure and finances of one or more communities in this
11 State, as demonstrated through the payment of property taxes directly,
12 or through rent, on any homestead or rental unit used as a principal
13 residence in this State for at least 10 consecutive years at least three
14 of which as owner of the homestead for which a homestead property
15 tax reimbursement is sought prior to the date that an application for a
16 homestead property tax reimbursement is filed.

17 "Homestead" means:

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

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

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

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

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

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

6 "Homestead property tax reimbursement" means payment of the
7 difference between the amount of property tax or site fee constituting
8 property tax due and paid in any year on any homestead, exclusive of
9 improvements not included in the assessment on the real property for
10 the base year, and the amount of property tax or site fee constituting
11 property tax due and paid in the base year, when the amount paid in
12 the base year is the lower amount; but such calculations shall be
13 reduced by any current year property tax reductions or reductions in
14 site fees constituting property taxes resulting from judgments entered
15 by county boards of taxation or the State Tax Court.

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

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

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

24 (2) Is built on a permanent chassis;

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

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

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

44 (1) The construction and maintenance of streets;

45 (2) Lighting of streets and other common areas;

46 (3) Garbage removal;

1 (4) Snow removal; and

2 (5) Provisions for the drainage of surface water from home sites
3 and common areas.

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

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

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

17 "Property tax" means the general property tax due and paid as set
18 forth in this section, on a homestead, but does not include special
19 assessments and interest and penalties for delinquent taxes.

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

22 "Tax year" means the calendar year in which a homestead is
23 assessed and the property tax is levied thereon.
24 (cf: P.L.1997, c.348, s.1)

25

26 2. This act shall take effect immediately.

27

28

29

STATEMENT

30

31 This bill increases the income eligibility limits for the homestead
32 property tax reimbursement program beginning in tax year 2000.

33 Under the bill, the income eligibility limits will increase from
34 \$18,151 in tax year 1999 to \$36,302 in tax year 2000 for single
35 claimants and from \$22,256 in tax year 1999 to \$44,512 in tax year
36 2000 for married couples. This increase in the income limits will allow
37 additional senior citizens to benefit from this program, which
38 effectively provides a freeze on the property tax increases of eligible
39 senior citizens.

40 The bill also provides that the annual income eligibility limit for
41 single and married persons will be subject to adjustments in subsequent
42 tax years by the amount of the annual maximum social security benefit
43 cost of living adjustment.

SENATE SENIOR CITIZENS, VETERANS' AFFAIRS AND
HUMAN SERVICES COMMITTEE

STATEMENT TO

SENATE, No. 2120

with committee amendments

STATE OF NEW JERSEY

DATED: AUGUST 23, 2001

The Senate Senior Citizens, Veterans' Affairs And Human Services Committee reports favorably and with committee amendments Senate Bill No. 2120.

As amended by the committee, this bill increases the income eligibility limits for the homestead property tax reimbursement program beginning in tax year 2000.

Under the bill, the income eligibility limits will increase from \$18,151 in tax year 1999 to \$37,174 in tax year 2000 for single claimants and from \$22,256 in tax year 1999 to \$45,582 in tax year 2000 for married couples. This increase in the income limits will allow additional senior citizens to benefit from this program, which effectively provides a freeze on the property tax increases of eligible senior citizens.

The bill also provides that the annual income eligibility limit for single and married persons will be subject to adjustments in subsequent tax years by the amount of the annual maximum Social Security benefit cost-of-living adjustment.

The committee amendments:

- C adjust the income limits upward for tax year 2000 (and thereafter) to account for a cost-of-living adjustment that would otherwise have applied to tax year 2000;
- C amend the definition of tax year, which currently only applies to calendar years in which property taxes are paid, to also apply to calendar years in which income is received or accrued; and
- C make the application of the increased eligibility limits retroactive to base year determinations for tax year 2000 and thereafter, to assure that tax year 2000 will be the base year for those newly eligible under the increased income limits. This will allow calendar year 2001 to be a "reimbursement year" for those newly eligible, and allow them to receive benefits in calendar year 2002.

As amended, this bill is identical to the Assembly Committee Substitute for Assembly Bill Nos. 3082 and 1338 (1R) (Collins/Thompson/Augustine), which was reported by the Senate Budget and Appropriations Committee on June 28, 2001.

[First Reprint]

SENATE, No. 2120

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED FEBRUARY 15, 2001

Sponsored by:

Senator JOHN J. MATHEUSSEN

District 4 (Camden and Gloucester)

Senator LOUIS F. KOSCO

District 38 (Bergen)

Co-Sponsored by:

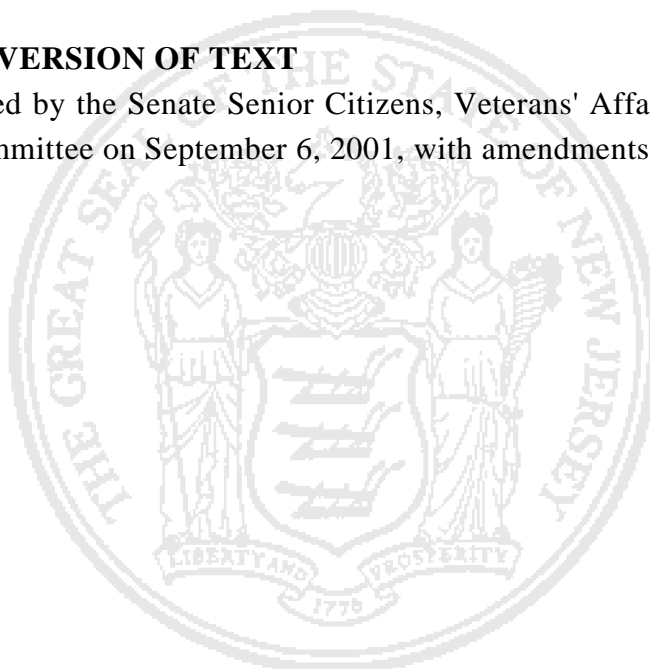
Senators Allen, Bucco, Cafiero, Zane, Sinagra, Inverso, Sacco and Turner

SYNOPSIS

Increases income eligibility limit for homestead property tax reimbursement program beginning in tax year 2000.

CURRENT VERSION OF TEXT

As reported by the Senate Senior Citizens, Veterans' Affairs and Human Services Committee on September 6, 2001, with amendments.



(Sponsorship Updated As Of: 10/4/2001)

1 AN ACT concerning income qualification limits for the homestead
2 property tax reimbursement program and amending P.L.1997,
3 c.348.

4

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

7

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

10 1. As used in this act:

11 "Base year" means, in the case of a person who is an eligible
12 claimant on or before December 31, 1997, the tax year 1997; and in
13 the case of a person who first becomes an eligible claimant after
14 December 31, 1997, the tax year in which the person first becomes an
15 eligible claimant.

16 "Commissioner" means the Commissioner of Health and Senior
17 Services.

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

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

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

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

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

38 "Eligible claimant" means a person who:

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

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

42 has an annual income of less than \$17,918 in tax year 1998, less

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SSV committee amendments adopted September 6, 2001.

1 than \$18,151 in tax year 1999, or less than ¹[\$36,302]\$37,174¹ in tax
2 year 2000, if single, or, if married, whose annual income combined
3 with that of the spouse is less than \$21,970 in tax year 1998, less than
4 \$22,256 in tax year 1999, or less than ¹[\$44,512]\$45,582¹ in tax year
5 2000, which income eligibility limits for single and married persons
6 shall be subject to adjustments in subsequent tax years pursuant to
7 section 9 of P.L.1997, c.348 (C.54:4-8.68);

8 as a renter or homeowner, has made a long-term contribution to the
9 fabric, social structure and finances of one or more communities in this
10 State, as demonstrated through the payment of property taxes directly,
11 or through rent, on any homestead or rental unit used as a principal
12 residence in this State for at least 10 consecutive years at least three
13 of which as owner of the homestead for which a homestead property
14 tax reimbursement is sought prior to the date that an application for a
15 homestead property tax reimbursement is filed.

16 "Homestead" means:

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

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

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

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

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

46 a unit in a cooperative or mutual housing corporation which

1 constitutes the place of domicile of a residential shareholder or lessee
2 therein, or of a lessee or shareholder who is not a residential
3 shareholder therein, which is used by the eligible claimant as the
4 eligible claimant's principal residence.

5 "Homestead property tax reimbursement" means payment of the
6 difference between the amount of property tax or site fee constituting
7 property tax due and paid in any year on any homestead, exclusive of
8 improvements not included in the assessment on the real property for
9 the base year, and the amount of property tax or site fee constituting
10 property tax due and paid in the base year, when the amount paid in
11 the base year is the lower amount; but such calculations shall be
12 reduced by any current year property tax reductions or reductions in
13 site fees constituting property taxes resulting from judgments entered
14 by county boards of taxation or the State Tax Court.

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

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

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

23 (2) Is built on a permanent chassis;

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

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

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

43 (1) The construction and maintenance of streets;

44 (2) Lighting of streets and other common areas;

45 (3) Garbage removal;

46 (4) Snow removal; and

1 (5) Provisions for the drainage of surface water from home sites
2 and common areas.

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

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

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

16 "Property tax" means the general property tax due and paid as set
17 forth in this section, on a homestead, but does not include special
18 assessments and interest and penalties for delinquent taxes.

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

21 "Tax year" means the calendar year in which a homestead is
22 assessed and the property tax is levied thereon ¹and it means the
23 calendar year in which income is received or accrued¹.

24 (cf: P.L.1997, c.348, s.1)

25

26 2. This act shall take effect immediately ¹and apply retroactively to
27 base year determinations for tax year 2000 and thereafter¹.

P.L. 2001, CHAPTER 251, *approved October 30, 2001*
Assembly Committee Substitute (*First Reprint*) for
Assembly, Nos. 3082 and 1338

1 AN ACT concerning income qualification limits for the homestead
2 property tax reimbursement program and amending P.L.1997,
3 c.348.

4

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

7

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

10 1. As used in this act:

11 "Base year" means, in the case of a person who is an eligible
12 claimant on or before December 31, 1997, the tax year 1997; and in
13 the case of a person who first becomes an eligible claimant after
14 December 31, 1997, the tax year in which the person first becomes an
15 eligible claimant.

16 "Commissioner" means the Commissioner of Health and Senior
17 Services.

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

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

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

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

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

38 "Eligible claimant" means a person who:

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

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AAP committee amendments adopted May 3, 2001.

1 is an owner of a homestead, or the lessee of a site in a mobile home
2 park on which site the applicant owns a manufactured or mobile home;
3 has an annual income of less than \$17,918 in tax year 1998, less
4 than \$18,151 in tax year 1999, or less than ¹~~[\$36,302]~~\$37,174¹ in tax
5 year 2000, if single, or, if married, whose annual income combined
6 with that of the spouse is less than \$21,970 in tax year 1998, less than
7 \$22,256 in tax year 1999, or less than ¹~~[\$44,512]~~\$45,582¹ in tax year
8 2000, which income eligibility limits for single and married persons
9 shall be subject to adjustments in subsequent tax years pursuant to
10 section 9 of P.L.1997, c.348 (C.54:4-8.68);

11 as a renter or homeowner, has made a long-term contribution to
12 the fabric, social structure and finances of one or more communities
13 in this State, as demonstrated through the payment of property taxes
14 directly, or through rent, on any homestead or rental unit used as a
15 principal residence in this State for at least 10 consecutive years at
16 least three of which as owner of the homestead for which a homestead
17 property tax reimbursement is sought prior to the date that an
18 application for a homestead property tax reimbursement is filed.

19 "Homestead" means:

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

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

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

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

38 In addition to the generally accepted meaning of "owned" or
39 "ownership," a homestead shall be deemed to be owned by a person if
40 that person is a tenant for life or a tenant under a lease for 99 years or
41 more, is entitled to and actually takes possession of the homestead
42 under an executory contract for the sale thereof or under an agreement
43 with a lending institution which holds title as security for a loan, or is
44 a resident of a continuing care retirement community pursuant to a
45 contract for continuing care for the life of that person which requires
46 the resident to bear, separately from any other charges, the

1 proportionate share of property taxes attributable to the unit that the
2 resident occupies;

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

8 "Homestead property tax reimbursement" means payment of the
9 difference between the amount of property tax or site fee constituting
10 property tax due and paid in any year on any homestead, exclusive of
11 improvements not included in the assessment on the real property for
12 the base year, and the amount of property tax or site fee constituting
13 property tax due and paid in the base year, when the amount paid in
14 the base year is the lower amount; but such calculations shall be
15 reduced by any current year property tax reductions or reductions in
16 site fees constituting property taxes resulting from judgments entered
17 by county boards of taxation or the State Tax Court.

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

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

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

26 (2) Is built on a permanent chassis;

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

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

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

46 (1) The construction and maintenance of streets;

- 1 (2) Lighting of streets and other common areas;
2 (3) Garbage removal;
3 (4) Snow removal; and
4 (5) Provisions for the drainage of surface water from home sites
5 and common areas.

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

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

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

19 "Property tax" means the general property tax due and paid as set
20 forth in this section, on a homestead, but does not include special
21 assessments and interest and penalties for delinquent taxes.

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

24 "Tax year" means the calendar year in which a homestead is
25 assessed and the property tax is levied thereon ¹and it means the
26 calendar year in which income is received or accrued¹.

27 (cf: P.L.1997, c.348, s.1)

28

29 2. This act shall take effect immediately ¹and apply retroactively
30 to base year determinations for tax year 2000 and thereafter¹.

31

32

33

34

35 _____
36 Increases income eligibility limit for homestead property tax
reimbursement program beginning in tax year 2000.

CHAPTER 251

AN ACT concerning income qualification limits for the homestead property tax reimbursement program 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 this act:

"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.

"Commissioner" means the Commissioner of Health and Senior Services.

"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.) 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, 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;

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 subsequent tax years pursuant to section 9 of P.L.1997, c.348 (C.54:4-8.68);

as a renter or homeowner, has made a long-term contribution to the fabric, social structure and finances of one or more communities in this State, as demonstrated through the payment of property taxes directly, or through rent, on any homestead or rental unit used as a principal residence in this State for at least 10 consecutive years at least three of which as owner of the homestead for which a homestead property tax reimbursement is sought prior to the date that an application for a homestead property tax reimbursement is filed.

"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.).

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

- (1) Consists of one or more transportable sections which are substantially constructed off site and, if more than one section, are joined together on site;
- (2) Is built on a permanent chassis;
- (3) Is designed to be used, when connected to utilities, as a dwelling on a permanent or nonpermanent foundation; and
- (4) 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:

- (1) The construction and maintenance of streets;
- (2) Lighting of streets and other common areas;
- (3) Garbage removal;
- (4) Snow removal; and
- (5) 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 Langham 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.

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

"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, on a homestead, but does not include special assessments and interest and penalties for delinquent taxes.

"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 and apply retroactively to base year determinations for tax year 2000 and thereafter

Approved October 30, 2001.

Office of the Governor
NEWS RELEASE

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TRENTON, NJ 08625

CONTACT: Tom Wilson/Rae Hutton
609-777-2600

RELEASE: October, 30 , 2001

DiFrancesco Signs Law Increasing Eligibility for Homestead Property Tax Reimbursement Program

Doubles Income Limits for Seniors; Adds Retroactive Cost of Living Increase

Acting Governor Donald T. DiFrancesco today signed legislation increasing the income eligibility limit for the Homestead Property Tax Reimbursement that more than doubles the current eligibility limits and adds a cost of living adjustment retroactive to tax year 2000.

The bill, A-3082/S-2120, signed at the Joseph Cipolla Senior Center in Bergen County, increases the eligibility limits from \$18,151 to \$37,174 for single claimants and \$22,256 to \$45,582 for married couples. The bill also states that the annual income eligibility limit for single and married persons will continue to be subject to adjustments in subsequent tax years.

"We must help seniors protect their investments, stay in their homes and remain active in the community. This legislation more than doubles the current limits for single and married couples. That means tens of thousands more seniors will be able to benefit from this program. And we're ensuring that there will continue to be adjustments in the future," said DiFrancesco.

A-3082/S-2120 was sponsored by Assemblymembers Alan Augustine (R-Middlesex/Morris/Somerset/Union) Jack Collins (R-salem/Cumberland/Gloucester) and Samuel Thompson (Middlesex/Monmouth) and Senators John Matheussen (R-Gloucester) and Lou Kosco (R-Bergen).

"I want to thank all of the sponsors of this important piece of legislation especially Senator Lou Kosco and Assemblymembers Rose Heck and Nick Felice for inviting me to the Joseph Cipolla Senior Center for this important event. I want seniors in Bergen County and all across New Jersey to know that the economic help you deserve is on the way," said DiFrancesco.

"Since becoming acting Governor I have made initiatives like increasing the Homestead Rebate and creating Senior Gold a priority. When it comes to seniors, the message is clear: you have given your best to New Jersey and we should give our best to you," said DiFrancesco.

