

54: 4-5a

LEGISLATIVE HISTORY CHECKLIST

(Tax compensation to districts losing ratables)

NJSA 54:4-5a

LAWS 1982

CHAPTER 36

Bill No. S1064

Sponsor(s) Orechio

Date Introduced Feb 25, 1982

Committee: Assembly

Senate County and Municipal Gov't

Amended during passage Yes

~~XX~~ Amendments during passage denoted by asterisks

Date of Passage: Assembly May 24, 1982

Senate March 8, 1982

Date of approval June 10, 1982

Following statements are attached if available:

Sponsor statement	Yes	XX Also attached: Assembly amendments, adopted 5-20-82 (with No statement)
Committee Statement: Assembly	XX	
Senate	Yes	XX
Fiscal Note	XX	No
Veto Message	XX	No
Message on signing	XX	No

Following were printed:

Reports	XX	No
Hearings	XX	No

Case, referred to. in Senate statement:
Mahway Township et al v. Bergen County, 3 N.J. Tax 513 (1981)

DO NOT WRITE IN THESE SPACES

6/22/81

[SECOND OFFICIAL COPY REPRINT]

SENATE, No. 1064

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 25, 1982

By Senator ORECHIO

Referred to Committee on County and Municipal Government

AN ACT concerning the remission of county taxes in certain cases, supplementing chapter 4 of Title 54 of the Revised Statutes, and repealing R. S. 54:5-5, ***[R. S. 54:4-5.1, and R. S. 54:4-5.2]*** *P. L. 1980, c. 24, and P. L. 1980, c. 118*.

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

1 1. Any taxing district in which there has been located a ***[State**
2 **or]*** county institution, other than an educational institution or
3 park lands, regardless of whether such lands are owned and occu-
4 pied by a park commission or by any other department, division,
5 agency or instrumentality of the county government, which occu-
6 pies more than 200 acres, ***[but less than 400 acres of land, in the**
7 **aggregate]*** *and which constitute at least 5% of the total*
8 *land area of the taxing district* , shall have remitted or rebated
9 by the county treasurer a sum equal to ****[one-half]**** *a percent-*
9A *age*** of the county tax rate applied to the entire amount of ratables
9B remaining subject to taxation *according to the following schedule:*

9C	1982	45%
9D	1983	40%
9E	1984	30%
9F	1985	15%
9G	1986	15%
9H	1987 and thereafter	0%**

10 ***[Any taxing district in which there has been located a State or**
11 **county institution, other than an educational institution or park**

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:

*—Senate committee amendments adopted March 1, 1982.

**—Assembly amendments adopted May 20, 1982.

12 lands, regardless of whether such lands are owned and occupied
13 by a park commission or by any other department, division, agency
14 or instrumentality of the county government, which occupies more
15 than 400 acres of land, in the aggregate, shall have remitted or
16 rebated by the county treasurer a sum equal to three-quarters of
17 the county tax rate applied to the entire amount of ratables remain-
18 ing subject to taxation.]*

1 2. R. S. 54:4-5, ***[R. S. 54:4-5.1, and R. S. 54:4-5.2]*** *P. L. 1980,*
2 *c. 24 (C. 54:4-5.1) and P. L. 1980, c. 118 (C. 54:4-5.2)** are repealed.

1 3. This act shall take effect immediately and shall be retroactive
2 to January 1, 1982.

STATEMENT

The purpose of this bill is to provide certain compensation to taxing districts which have lost a significant amount of ratables from their local tax base due to the fact that a State or county institution has been located within their borders.

Under the provisions of this bill, a taxing district which has a State or county institution, other than an educational institution or park lands, which occupies more than 200, but less than 400 acres of land within its borders would receive a remission or rebate equal to one-half of their county taxes.

A taxing district which has a State or county institution, other than an educational institution or park lands, which occupies more than 400 acres of land within its borders would receive a remission or rebate equal to three-quarters of their county taxes.

The bill also repeals R. S. 54:4-5, R. S. 54:4-5.1, and R. S. 54:4-52.

[OFFICIAL COPY REPRINT]
SENATE, No. 1064

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 25, 1982

By Senator ORECHIO

Referred to Committee on County and Municipal Government

AN ACT concerning the remission of county taxes in certain cases, supplementing chapter 4 of Title 54 of the Revised Statutes, and repealing R. S. 54:5-5, ***[R. S. 54:4-5.1, and R. S. 54:4-5.2]*** **P. L. 1980, c. 24, and P. L. 1980, c. 118**.

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5 agency or instrumentality of the county government, which occu-
6 pies more than 200 acres, ***[but less than 400 acres of land, in the**
7 **aggregate]*** **and which constitute at least 5% of the total*
8 *land area of the taxing district**, shall have remitted or rebated
9 by the county treasurer a sum equal to one-half of the county tax
9A rate applied to the entire amount of ratables remaining subject to
9B taxation.

10 ***[Any taxing district in which there has been located a State or**
11 **county institution, other than an educational institution or park**
12 **lands, regardless of whether such lands are owned and occupied**
13 **by a park commission or by any other department, division, agency**
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17 **the county tax rate applied to the entire amount of ratables remain-**
18 **ing subject to taxation.]***

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Matter printed in italics *thus* is new matter.

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*—Senate committee amendments adopted March 1, 1982.

1 2. R. S. 54:4-5, ***[R. S. 54:4-5.1, and R. S. 54:4-5.2]*** *P. L. 1980,
2 *c. 24 (C. 54:4-5.1) and P. L. 1980, c. 118 (C. 54:4-5.2)** are repealed.

1 3. This act shall take effect immediately and shall be retroactive
2 to January 1, 1982.

[ASSEMBLY REPRINT]
SENATE, No. 1064
[OFFICIAL COPY REPRINT]

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 25, 1982

By Senator ORECHIO

Referred to Committee on County and Municipal Government

AN ACT concerning the remission of county taxes in certain cases, supplementing chapter 4 of Title 54 of the Revised Statutes, and repealing R. S. 54:5-5, ***[R. S. 54:4-5.1, and R. S. 54:4-5.2]*** *P. L. 1980, c. 24, and P. L. 1980, c. 118*.

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7 **aggregate]*** **and which constitute at least 5% of the total*
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9 by the county treasurer a sum equal to ****[one-half]**** ****a percent-*
9A *age*** of the county tax rate applied to the entire amount of ratables
9B remaining subject to taxation ***according to the following schedule:*

9C	1982	45%
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2 c. 24 (C. 54:4-5.1) and P. L. 1980, c. 118 (C. 54:4-5.2)* are repealed.

1 3. This act shall take effect immediately and shall be retroactive
2 to January 1, 1982.

SENATE COUNTY AND MUNICIPAL
GOVERNMENT COMMITTEE

STATEMENT TO

SENATE, No. 1064

with Senate committee amendments

STATE OF NEW JERSEY

DATED: MARCH 1, 1982

Senate Bill No. 1064, as amended by the committee at the request of the sponsor, provides a rebate of county taxes to taxing districts which have lost a significant amount of ratables from their local tax base due to the fact that a county institution has been located within their borders.

Under the provisions of this bill, a taxing district which has a county institution, other than an educational institution or park lands, which occupies more than 200 acres of land within its borders, and which comprises at least 5% of the land area of the district, would receive a remission or rebate equal to one-half of the amount produced by applying the county tax rate to the amount of ratables remaining subject to taxation.

The bill repeals R. S. 54:4-5, P. L. 1980, c. 24 (C. 54:4-5.1) and P. L. 1980, c. 118 (C. 54:4-5.2) under which a rebate of county taxes was previously paid to taxing districts for county institutions. The Tax Court of the State of New Jersey recently held that the current statute, R. S. 54:4-5, was special legislation and, therefore, was unconstitutional because it was in violation of Article IV, section 7, paragraph 9 of the New Jersey Constitution. The Tax Court found the population limitations specified in the former statute to be so restrictive as to affect only Essex county.

This legislation would not be confined to counties of any particular population size or class. However, the land area restrictions in the bill are such that only Cedar Grove in Essex county would qualify. Cedar Grove has been receiving a rebate of county taxes since 1923.

MAY 20 1982

to

Senate Bill No. 1064 (OCR)

Amend:

(Proposed by Assemblyman Fortunato, 5/20/82)

Page	Sec.	Line
1	1	9
1	1	9B

Omit "one-half" insert "a percentage"

After "taxation" insert "according to the following schedule:

1982	45%
1983	40%
1984	30%
1985	15%
1986	15%
1987 and thereafter	0% "

STATEMENT

This amendment phases out the remission of these county taxes over a five year period.