

54:4-8.41 + 54:4-8.44

LEGISLATIVE HISTORY CHECKLIST

NJSA 54:4-8.41 and 54:4-8.44 (Property tax deduction--senior citizens and disabled--grant to mobile home owners)

LAWS 1981 CHAPTER 86

Bill No. S1053

Sponsor(s) Hamilton and others

Date Introduced Feb. 21, 1980

Committee: Assembly Revenue, Finance and Appropriations

Senate Revenue, Finance and Appropriations

Amended during passage Yes ~~No~~ Amendments during passage denoted by asterisks

Date of Passage: Assembly March 2, 1981

Senate Jan. 22, 1981

Date of approval March 26, 1981

Following statements are attached if available:

Sponsor statement Yes ~~No~~

Committee Statement: Assembly Yes ~~No~~

Senate Yes ~~No~~

Fiscal Note ~~Yes~~ No

Veto Message ~~Yes~~ No

Message on signing ~~Yes~~ No

Following were printed:

Reports Yes ~~No~~

Hearings Yes ~~No~~

Public hearing mentioned in Senate Committee statement:

974.90 New Jersey. Legislature. Senate. Revenue,
T235 Finance and Appropriations Committee.
1980a Public hearing on SCR 90, held 5-28-80.
Trenton, 1980.

(over)

EJ/22/81

DEC 1981

Recommendation for legislation made in:

974.90 New Jersey. Mobile Home Study Commission.
H842 Report and recommendations... Oct., 1980.
1980a Trenton, 1980.

See also:

974.90 New Jersey. Mobile Home Study Commission.
H842 Public hearing, held 11-21-78.
1978g Trenton, 1978.

[OFFICIAL COPY REPRINT]
SENATE, No. 1053

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 21, 1980

By Senators HAMILTON, DWYER, WEISS, J. RUSSO, PARKER,
CAFIERO, BEDELL, PERSKIE and YATES

Referred to Committee on Revenue, Finance and Appropriations

AN ACT concerning deductions from real property taxes and amend-
ing P. L. 1963, c. 172 and P. L. 1976, c. 129.

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

1 1. Section 2 of P. L. 1963, c. 172 (C. 54:4-8.41) is amended to
2 read as follows:

3 2. Every person, a citizen and resident of this State of the age
3A of 65 or more years, or less than 65 years of age who is permanently
4 and totally disabled, having an *annual* income not in excess of
5 ***[\$5,000.00 per year]*** *the limitations provided in this section*
6 and residing in a dwelling house owned by him **[**which is a constitu-
7 ent part of his real property**]** *which is a constituent part of his*
8 *real property or residing in a dwelling house owned by him which*
9 *is assessed as real property but which is situated on land owned by*
10 *another or others**, shall be entitled, annually, on proper claim
11 being made therefor, to a deduction against the ***[real property]***
12 tax or taxes assessed against such **[real property]** ***[dwelling**
13 *house, or the dwelling house and land on which the dwelling house*
14 *is situated, if the land is owned by the owner occupant of the dwell-*
15 *ing house]** *real property**, to an amount not exceeding the
16 amount of said tax, or the sum ***[of \$160.00]*** *provided in this*
17 *section**, whichever is the lesser, but no such deduction from taxes
18 shall be in addition to any other deduction or exemption from taxes
19 to which said person may be entitled, except said citizen and resi-
20 dent may receive in addition any homestead rebate or credit pro-
21 vided by law.

22 *For the purposes of this section, the annual income limitation*
23 *shall be: \$5,000.00 for any year prior to 1981; \$8,000.00 for the year*
24 *1981; \$9,000.00 for the year 1982; and, \$10,000.00 for year 1983 and*
25 *each year thereafter.*

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

25A *The sum deducted pursuant to this section shall not exceed: in*
 25B *any year prior to 1981, \$160.00; in the year 1981, \$200.00; in the*
 25C *year 1982, \$225.00; and, in the year 1983 and in each year there-*
 25D *after, \$250.00.**

26 For the purposes of this act ***the income of a married person**
 27 **shall*** *.*

28 **a. The income of a married person shall* be deemed to include*
 29 *an amount equal to the income of the spouse during the applicable*
 30 *income year, except for such portion of that year as the two were*
 31 *living apart in a state of separation, whether under judicial decree*
 32 *or otherwise***the*** *.**

33 **b. The requirement of ownership shall be satisfied by the hold-*
 34 *ing of a beneficial interest in the dwelling house where legal title*
 35 *thereto is held by another who retains a security interest in the*
 36 *dwelling house.**

1 2. Section 5 of P. L. 1963, c. 172 (C. 54:4-8.44) is amended to
 2 read as follows:

3 5. Every fact essential to support a claim for a deduction
 4 hereunder shall exist on October 1 of the pretax year, except
 5 as in this section otherwise provided. Every application by a
 6 claimant therefor shall establish that he is or will be on or before
 7 December 31 of the pretax year 65 or more years of age or on that
 8 date was permanently and totally disabled, and that he was, on
 9 October 1 of the pretax year, (a) a citizen and resident of this
 10 State for the period required, (b) the owner of a dwelling house
 11 **which is a constituent part of the real property** ***or dwelling**
 12 **house and land*** **which is a constituent part of the real property**
 13 *for which the deduction is claimed, *or the owner of a dwelling*
 14 *house which is assessed as real property but which is situated on*
 15 *land owned by another or others** (c) residing in said dwelling
 16 house. Said application shall also establish that his anticipated
 17 income, including the income of his or her spouse, for the tax year
 18 will not exceed ***\$5,000.00*** **the applicable annual income limita-*
 19 *tion set forth in section 2 (C. 54:4-8.41)**. In the case of a claim for
 20 a deduction by a person who is permanently and totally disabled,
 20A said application shall include a physician's certificate verifying the
 20B claimant's permanent and total disability. The Director of the
 20C Division of Taxation may promulgate rules and regulations pre-
 20D scribing the form and content of the certificate.

21 In the case of claims for a deduction authorized by section 4 of
 22 this amendatory and supplementary act every application by a
 23 claimant therefor shall establish that he is or will be on or before
 24 December 31 of the pretax year 55 or more years of age and was

STATEMENT

This bill implements Senate Concurrent Resolution 90 (1980), now pending before the Legislature, which, subject to approval by State-wide referendum, amends the senior or disabled citizens tax deduction provisions of the State Constitution. The constitutional amendment and this bill extend to any otherwise qualified owner-occupant of a dwelling house, including a mobile home owner, who pays real property tax on such dwelling house, a senior or disabled citizen's deduction, notwithstanding that the owner-occupant does not own the land on which the dwelling house is situated.

At present, the owner-occupant and taxpayer must own the dwelling house and land of which the dwelling house is a constituent part in order to qualify for a senior or disabled citizen's deduction on his real property tax.

51053 (1981)

ASSEMBLY REVENUE, FINANCE AND APPROPRIATIONS
COMMITTEE

STATEMENT TO
SENATE, No. 1053
[OFFICIAL COPY REPRINT]

STATE OF NEW JERSEY

DATED: FEBRUARY 19, 1981

The Assembly Revenue, Finance and Appropriations Committee find the Senate Revenue, Finance and Appropriations Committee statement to be an accurate and concise statement of the purpose and impact of this bill and concurs in that statement.

SENATE REVENUE, FINANCE AND APPROPRIATIONS
COMMITTEE

STATEMENT TO
SENATE, No. 1053
with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 11, 1980

PROGRAM SUMMARY:

This bill implements the constitutional amendment adopted in November, 1980 (SCR-90) allowing eligible senior and disabled citizens to receive a real property tax deduction in the situation where they own, occupy, and pay taxes on a dwelling house but do not own the land on which it is situated.

It is estimated, based on testimony before the committee during a public hearing on SCR-90, that 7,500 homes are owned and occupied by otherwise qualified senior or disabled citizens except that the home is on leased land. It is further estimated that if mobile homes are subject to assessment as real property an additional 25,000 persons would apply for the deduction.

FISCAL IMPACT:

With an estimated 7,500 additional deductions the first year cost is estimated at \$1.5 million. This will increase to \$1.7 million and \$1.9 million for the second and third years, respectively.

If mobile homes are to be assessed and taxed as real property, that could translate into 25,000 additional deductions at a first year cost, assuming 1982 as the first year, of \$5.6 million.

COMMITTEE AMENDMENTS:

The committee amendments incorporate the provisions of Assembly 2200, necessary to preclude an inadvertent repeal of that legislation, anticipating that it will move before this Senate bill.

Further, the amendments make technical changes to reflect the actual language adopted in the constitutional amendment.

There is also a change in the effective date to January 1, 1981 to ensure that the newly qualified taxpayers will receive the deduction tax year 1981.