

54:4-5.1

LEGISLATIVE HISTORY CHECKLIST

(County tax rebate--
parklands, certain)

WSA 54:4-5.1

LAWS OF 1980

CHAPTER 24

Bill No. S1214

Sponsor(s) Orechio and Dodd

Date Introduced April 17, 1980

Committee: Assembly --

Senate --

Amended during passage YES No

Date of Passage: Assembly April 28, 1980

Senate April 21, 1980

Date of approval May 1, 1980

Following statements are attached if available:

Sponsor statement Yes XX

Committee Statement: Assembly YES No

Senate YES No

Fiscal Note YES No

Veto message YES No

Message on signing Yes XX

Following were printed:

Reports YES No

Hearings YES No

9/1/78

SENATE, No. 1214

STATE OF NEW JERSEY

INTRODUCED APRIL 17, 1980

By Senators ORECHIO and DODD

(Without Reference)

AN ACT concerning property tax remissions and rebates on certain property devoted to park purposes in certain counties of the first class, and supplementing Article 3, Chapter 4 of Title 54 of the Revised Statutes.

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

1 1. The provisions of R. S. 54:4-5, or any other law, to the
2 contrary notwithstanding, no municipality shall be entitled to a
3 remission or rebate of any portion of the county taxes paid or
4 payable on the ratables subject to taxation by virtue of the abolition
5 of the park commission of the county that owned or occupied lands
6 in the municipality and the transfer of such ownership or occupa-
7 tion to any division, department, agency or instrumentality of the
8 county government, which transfer occurred within 4 years of the
9 adoption in that county of one of the forms of government provided
10 by the "Optional County Charter Law," P. L. 1972, c. 154
11 (C. 40:41A-1 et seq.).

1 2. This act shall take effect immediately and shall be retroactive
2 in its effect to January 1, 1979.

STATEMENT

The purpose of this bill is to maintain the status quo with respect to county tax remissions and rebates to municipalities on certain State and county property in counties of the first class having a population in excess of 800,000. Under the present law, municipalities are eligible for such remissions or rebates EXCEPT where the land in question is "owned or occupied by a park commission" of the county in question. The reorganization of the County Government of Essex County that has occurred as a result of the adoption by the people of Essex of the County Executive form of government, under the "Optional County Charter Law," P. L. 1972, c. 154, has

led to the dissolution of the Essex County Park Commission. Therefore, unless the present law is changed, some 9 municipalities in Essex will be entitled to considerable tax remissions or rebates, while 13 remaining Essex municipalities will, necessarily, be forced to bear significantly higher county tax payments, and this entitlement will exist NOT because of any change in the tax law, but, simply, because the county park commission has been replaced, for the purposes of governmental efficiency, by a Department of Parks, Recreation and Cultural Affairs.

The sponsors of this bill fully understand the desire of certain municipalities to secure considerable tax remissions or rebates as a result of the change in management of park land in Essex County. They believe, however, that any such change should be comprehensive and should follow a thorough analysis of all relevant issues and the effects upon all Essex communities; it should NOT come as a result of an unintentional "loophole" in the law. This bill would provide the opportunity for that review and analysis by closing that loophole and by specifically providing that property not eligible for a county tax remission or rebate due to its ownership or occupation by a county park commission shall continue to be ineligible upon the transfer of such property to any other county department, division, agency or instrumentality, if such transfer occurs within 4 years after the county in question has adopted one of the governmental plans of the "Optional County Charter Law."

MAY 1, 1980

KATHRYN FORSYTH

Acting Governor Joseph P. Merlino today signed S-1214, sponsored by Senator Carmen A. Orechio (D-Essex).

The purpose of the bill is to maintain the status quo with respect to county tax remissions and rebates to municipalities on certain county property.

The bill prevents unforeseen re-allocation of the Essex County Tax burden due to the dissolution of the Essex County Park Commission under the reorganization of the Essex County Government and the transfer of the Park Commission's property to the newly created Department of Parks, Recreation and Cultural Affairs.

State law provides that county lands are not subject to municipal property taxes. However, in counties of the first class municipalities are permitted tax rebates and remissions from the county for county lands in excess of 200 acres within their boundaries provided the lands are not held by a park commission.

Since the Essex County Park lands are now held by a "department" rather than a "commission," the City of Newark has brought an action before the Essex County Tax Board maintaining that it is now entitled to tax rebates and remissions for county park lands within its boundaries.

The County Tax Board has withheld its ruling in this case pending the legislative action clarifying the tax status of the property.

If the County Tax Board had ruled in Newark's favor, without the enactment of this bill, nine municipalities in Essex County would be entitled to considerable tax remissions or rebates while the remaining thirteen municipalities would be forced to bear considerable higher county tax payments.

This entitlement would not have existed because of any change in the substantive tax law but simply because the Parks Commission had been replaced, for purposes of governmental efficiency, by a Department of Parks, Recreation and Cultural Affairs.