

54:4-3.6b

LEGISLATIVE HISTORY CHECKLIST

WASA 54:4-3.6b (Tax-exempt property--transfer-status)

LAWS OF 1979 CHAPTER 454

Bill No. A3509

Sponsor(s) Stockman and McManimon

Date Introduced July 9, 1979

Committee: Assembly Taxation

Senate Revenue, Finance and Appropriations

Amended during passage Yes ~~xxx~~ Amendments during passage denoted by asterisks

Date of Passage: Assembly Nov. 26, 1979

Senate Jan. 5, 1980

Date of approval Feb. 22, 1980

Following statements are attached if available:

Sponsor statement Yes ~~xx~~

Committee Statement: Assembly Yes ~~xx~~

Senate ~~xx~~ No

Fiscal Note ~~xx~~ No

Veto message ~~xx~~ No

Message on signing ~~xx~~ Yes

Following were printed.

Reports ~~xx~~ No

Hearings ~~xx~~ No

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EJ 9/1/78

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ASSEMBLY, No. 3509

STATE OF NEW JERSEY

INTRODUCED JULY 9, 1979

By Assemblymen STOCKMAN and McMANIMON

Referred to Committee on Taxation

AN ACT concerning exemptions from property taxation and supplementing Article 2 of 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. Wherever an owner of real property, who has been granted
2 an exemption from taxation pursuant to R. S. 54:4-3.6 or R. S.
3 54:4-3.26 shall make subsequent application for an exemption from
4 taxation for property newly acquired by him, such application
5 shall be deemed timely filed notwithstanding that the acquisition
6 may have been made subsequent to October 1 of the pretax year,
7 and the exemption shall be extended, provided:

8 a. The applicant and subject property meet all other require-
9 ments for exemption; and

10 b. The subject property was exempt from taxation under this
11 article when acquired by the applicant.

1 2. In the event that an owner of real property meets the require-
2 ments of this section 1 and an acquisition occurred which would
3 have met the provisions of section 1 prior to the effective date of
4 this act, such owner may apply for exemption for the period for
5 which he would have been exempt under section 1 above, and such
6 application ***[shall]*** **may** be accepted and processed in the
7 manner prescribed in section 1*; *provided, however, that such*
8 *application shall be made within 60 days of the effective date of this*
9 *act*.*

1 3. This act shall take effect immediately.

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

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10 b. The subject property was exempt from taxation under this
11 article when acquired by the applicant.

1 2. In the event that an owner of real property meets the require-
2 ments of this section 1 and an acquisition occurred which would
3 have met the provisions of section 1 prior to the effective date of
4 this act, such owner may apply for exemption for the period for
5 which he would have been exempt under section 1 above, and such
6 application shall be accepted and processed in the manner pre-
7 scribed in section 1.

1 3. This act shall take effect immediately.

S P O N S O R S S T A T E M E N T

This bill is intended to rectify an inconsistency in the statutory procedure regarding exemption from taxation of non-profit organizations and fraternal organizations.

A property transferred from one qualifying taxpayer to another would remain exempt. Current law requires, in part, ownership

of the property on October 1 of the pretax year. This has created the situation where an organization, otherwise exempt, is held liable for taxes where the ownership prerequisite is not met, only to be granted an exemption for the next and subsequent years.

Under this bill the transfer of property from one exempt organization or otherwise exempt taxpayer to another will not disturb the exemption.

ASSEMBLY COMMITTEE AMENDMENTS TO
ASSEMBLY, No. 3509

STATE OF NEW JERSEY

ADOPTED AUGUST 23, 1979

Amend page 1, section 2, line 6, omit "shall", insert "may".

Amend page 1, section 2, line 7, after "1", insert "; provided, however, that such application shall be made within 60 days of the effective date of this act".

ASSEMBLY TAXATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3509

with committee amendments

STATE OF NEW JERSEY

DATED: JULY 31, 1979

This bill is intended to rectify an inconsistency in the statutory procedure regarding exemption from taxation of nonprofit organizations and fraternal organizations.

A property transferred from one qualifying taxpayer to another would remain exempt. Current law requires, in part, ownership of the property on October 1 of the pretax year. This has created the situation where an organization, otherwise exempt, is held liable for taxes where the ownership prerequisite is not met, only to be granted an exemption for the next and subsequent years.

Under this bill the transfer of property from one exempt organization or otherwise exempt taxpayer to another will not disturb the exemption.

COMMITTEE AMENDMENTS

Committee amendments were found necessary to render the retroactive feature of this bill permissive. The retroactive feature would permit any qualifying taxpayer who was denied an exemption for part of any tax year because he did not meet the October 1 pretax year ownership requirement, to file for an exemption for that period. The local governing body would then be free to grant, or not grant, the exemption for that period.

Further committee amendments would require that any application to take advantage of the retroactive feature would have to be submitted within 60 days of the effective date of the bill.

FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

FEBRUARY 25, 1980

KATHRYN FORSYTH/PATRICK SWEENEY

Governor Brendan Byrne signed the following bills before departing for Washington to attend the National Governors' Association Mid-Winter Meeting:

A-1138, sponsored by Assemblyman David Schwartz (D-Middlesex) which requires the Commissioner of Community Affairs to establish a pre-retirement education demonstration program through the Division on Aging.

The program would provide public and private agencies, institutions and organizations with guidance and assistance to conduct seminars, workshops or other educational programs on retirement planning.

The program will be supported by federal funds.

A-1469, sponsored by Assemblyman Richard Van Wagner (D-Monmouth) which allows counties to finance, construct, acquire, maintain, operate or improve facilities for the storage, accumulation, supply, transfer or distribution of potable water.

Under the bill, the facilities could be financed by county general revenues, user fees, or general obligation bonds issued by the counties. The county could operate and construct potable water supply facilities either separately or with other counties, municipalities or private water supply companies.

A-3263, sponsored by Assemblyman Eugene Thompson (D-Essex) which requires the Department of Health to collect, analyze and distribute data on the incidence of alcohol use and alcohol-related problems, especially among juveniles.

The bill also increases the size of the Advisory Council on Alcoholism from 15 to 22 members by adding the Commissioners of Corrections and Higher Education, and one representative from the Statewide Health Coordinating Council and by increasing the number of citizen members from eight to twelve.

A-3509, sponsored by Assemblyman Gerald Stockman (D-Mercer) which permits the continuance of a tax exemption when real property is transferred from one tax exempt organization to another.