

54:4-3.80 et al.

LEGISLATIVE HISTORY CHECKLIST

RISA 54:4-3.80 et al. (Homestead Tax -- administered by State)
 LAWS OF 1977 CHAPTER 17
 Bill No. A2251
 Sponsor(s) Burns and others
 Date Introduced Sept. 27, 1976
 Committee: Assembly Taxation
 Senate -----

Amended during passage Yes Assembly Committee Substitute enacted.
 Date of Passage: Assembly Feb. 1, 1977
 Senate Feb. 7, 1977
 Date of approval February 15, 1977

Following statements are attached if available:

Sponsor statement	Yes	<input checked="" type="checkbox"/>
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

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Assembly Committee Substitute enacted.

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2/15/77

[OFFICIAL COPY REPRINT]
ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY. No. 2251

STATE OF NEW JERSEY

ADOPTED NOVEMBER 23, 1976

AN ACT to amend the title of "An act concerning exemptions from taxation, providing for homestead exemptions for citizens and residents of this State, and supplementing chapter 4 of Title 54 of the Revised Statutes," approved August 30, 1976 (P. L. 1976, c. 72), so that the same shall read "An act concerning rebates from taxation, providing homestead rebates for citizens and residents of this State, and supplementing chapter 4 of Title 54 of the Revised Statutes," and amending **and supplementing** the body of ***[this]*** **said** act.

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

1 1. The title **of P. L. 1976, c. 72** is amended to read as follows:
2 "An act concerning **[exemptions]** *rebates* from taxation, providing
3 for homestead **[exemptions]** *rebates* for citizens and residents of
4 this State, and supplementing chapter 4 of Title 54 of the Revised
5 Statutes."

1 2. Section 1 of P. L. 1976, c. 72 (C. 54:4-3.80) is amended to read
2 as follows:

3 1. a. Every citizen and resident of this State shall be entitled,
4 annually, to a homestead **[exemption]** *rebate* on a dwelling house
5 and the land upon which such dwelling house is situated, *or on a*
6 *dwelling house assessed as real estate situated on land owned by*
7 *another or others* which constitutes the place of his domicile and
8 which is owned and used by him as his principal residence. If such
9 citizen and resident of this State is of the age of 65 or more years,
10 or is less than 65 years of age yet permanently and totally disabled,
11 as "disabled" is defined in the "New Jersey Gross Income Tax
12 Act" (54A:1-2f), or is the surviving spouse of a deceased citizen
13 and resident of this State who during his lifetime received a real
14 property tax deduction pursuant to this act or P. L. 1963, c. 172

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

15 (C. 54:4-8.40 et seq.), upon the same conditions, with respect to
 16 real property, notwithstanding that said surviving spouse is under
 17 the age of 65 and is not permanently and totally disabled, provided
 18 that said surviving spouse was 55 years of age or older at the time
 19 of death of said citizen and resident and remains unmarried, said
 20 taxpayer shall annually, upon proper claim being made therefor,
 21 be entitled to an additional **[exemption]** *rebate* as set forth in
 22 section 2 of this act. The said requirement of ownership shall be
 23 satisfied by the holding of the beneficial interest where the legal
 24 title thereto is held by another for the benefit of the said citizen
 25 and resident.

26 *A person who is a tenant for life or a tenant under a lease for 99*
 27 *years or more or a person who is entitled to and actually takes*
 28 *possession of the land and dwelling house under an executory*
 29 *contract for the sale thereof or under an agreement with a lending*
 30 *institution which holds title as security for a loan, shall be deemed*
 31 *to be an owner for the purpose of this act.*

32 b. As used in this act "dwelling house" includes any residential
 33 property***[,]*** *assessed as real property***[,]**** consisting of not
 34 more than four units of which not more than one may be used for
 35 business or commercial purposes.

1 3. Section 2 of P. L. 1976, c. 72 (C. 54:4-3.81) is amended to read
 2 as follows:

3 2. a. The **[exemption]** *rebate* to be granted such citizen and
 4 resident of this State shall be calculated at \$1.50 per \$100.00 to
 5 \$10,000.00 of equalized value, or two-thirds of equalized value,
 6 whichever is less, plus 12.5% of the effective tax rate in the munici-
 7 pality wherein the **[exemption]** *rebate* is claimed, multiplied by
 8 \$10,000.00 of equalized value or two-thirds of equalized value
 9 whichever is less. If the claimant qualifies as a senior citizen, a
 10 totally disabled citizen under 65 or a surviving spouse, as set forth
 11 in section 1, such claimant shall be granted an additional \$50.00
 12 **[exemption]** *rebate* for the tax year 1977 and thereafter.

13 b. In no instance shall the amount of the homestead **[exemption]**
 14 *rebate* be greater than 50% of the *net* property tax otherwise due
 15 for the pretax year. For the purpose of this section, "effective
 16 rate" means the total tax levy for the pretax year on which the tax
 17 rate is computed divided by the apportionment valuation for the
 18 pretax year, as shown in the Table of Aggregates, prepared
 19 pursuant to R. S. 54:4-52.

20 c. Where the dwelling house as to which a homestead **[exemp-**
 21 **tion]** *rebate* is claimed is a residential property consisting of more

22 than one unit, the claimant shall **[not]** be allowed **[an exemption]**
 23 *a rebate* **[in an amount in excess of the proportionate share that**
 24 *the equalized value of the residential unit occupied by the claimant*
 25 *bears to the total equalized value of the property]* *calculated on*
 26 *the basis of his proportionate share of equalized value of the*
 27 *residential unit occupied by him, as determined by the assessor,*
 28 *provided, that not more than one rebate or one additional rebate*
 29 *under subsection a. of this section shall be allowed with respect to*
 30 *any one dwelling house subject to the property tax limitation of*
 31 *subsection b. of this section.*

1 4. Section 3 of P. L. 1976, c. 72 (C. 54:4-3.82) is amended to
 2 read as follows:

3 3. No homestead **[exemption]** *rebate*, as provided herein, shall
 4 be allowed except upon written application therefor, which applica-
 5 tion shall be on a form prescribed by the Director of the Division
 6 of Taxation, and provided for the use of claimants hereunder by
 7 the tax assessor of the municipality constituting the taxing district
 8 in which such claim is to be filed, and the application has been ap-
 9 proved as provided in this act. Each assessor may at any time in-
 10 quire into the right of a claimant to the continuance of a homestead
 11 **[exemption]** *rebate* hereunder and for that purpose he may require
 12 the filing of a new application or the submission of such proof as
 13 he shall deem necessary to determine the right of the claimant to
 14 continuance of such **[exemption]** *rebate*.

1 5. Section 4 of P. L. 1976, c. 72 (C. 54:4-3.83) is amended to
 2 read as follows:

3 4. a. An application for homestead **[exemption]** *rebate* here-
 4 under shall be filed with the assessor of the taxing district on or
 5 before **[November]** *December 1****[, 1976]*** **annually** and **[shall*
 6 *reflect the prerequisites for [exemption] rebate as of October 1,*
 7 **[1975]** *1976, and on or before [September] November 1 annually*
 8 *thereafter and]* shall reflect the prerequisites for [exemption]*
 9 *rebate on October 1 of the respective pretax year; provided, how-*
 10 *ever, that the director may, by rule, waive the requirement for*
 11 *filing an annual application for any year or years subject to any*
 12 *limitations and conditions he may deem appropriate. If an applica-*
 13 *tion is approved by the assessor, he shall allow a homestead*
 14 **[exemption]** *rebate on the real property assessed to the claimant*
 15 *as described therein and shall indicate upon the assessment list*
 16 *and duplicates or as the director may otherwise prescribe the*
 17 *approval thereof in such manner as shall be prescribed by rules*
 18 *of the Director of the Division of Taxation together with the*
 19 *proportionate share of such property deemed to be owned by the*

20 claimant for the purposes of this act if he is not the sole owner
 21 thereof. In addition, the director may require such approval to be
 22 indicated and further tax duplicate to be filed with him on or
 23 before January 10 of the tax year.

24 b. An application for ***[exemption]*** *rebate* may be filed on or
 25 before December 31 of the pretax year setting forth the pre-
 26 requisites for exemption as of October 1 of said pretax year by
 27 any property owner subject to tax for the ensuing tax year who
 28 has not previously filed a claim for ***[exemption]*** *rebate* or has
 29 previously filed a claim for ***[exemption]*** *rebate* and there has
 30 taken place subsequent thereto with respect to said property an
 31 added or omitted assessment or a change in the status of the
 32 property owner.

1 6. Section 5 of P. L. 1976, c. 72 (C. 54:4-3.84) is amended to
 2 read as follows:

3 5. Every fact essential to support a claim for a homestead **[ex-**
 4 **emption]** *rebate* hereunder shall exist on October 1 of the pretax
 5 year, except as in this section otherwise provided. Every appli-
 6 cation by a senior citizen, totally disabled person, or surviving
 7 spouse shall establish that he is or will be on or before December
 8 31 of the pretax year 65 or more years of age or is permanently
 9 and totally disabled or is a surviving spouse and that he was, on
 10 October 1 of the pretax year, (a) a citizen and resident of this
 11 State, (b) the owner of a dwelling house which is a constituent
 12 part of the real property for which a homestead **[exemption]**
 13 *rebate* is claimed, (c) residing in said dwelling house as his princi-
 14 pal residence. It shall be the duty of every claimant to inform
 15 the assessor of any change in his status or property which may
 16 affect his right to continuance of such **[exemption]** *rebate*.

1 7. Section 7 of P. L. 1976, c. 72 (C. 54:4-3.86) is amended to
 2 read as follows:

3 7. Where title to property as to which a homestead **[exemption]**
 4 *rebate* is claimed is held by claimant and another or others, either
 5 as tenants in common or as joint tenants, claimant shall not be
 6 allowed a homestead **[exemption]** *rebate* in an amount in excess
 7 of his proportionate share of the taxes assessed against said prop-
 8 erty, which proportionate share, for the purposes of this act, shall
 9 be deemed to be equal to that of each of the other tenants, unless
 10 it is shown that the interest in question are not equal, in which
 11 event claimant's proportionate share shall be as shown. Nothing
 12 herein shall preclude more than one tenant, whether title be held
 13 in common or joint tenancy, from claiming a homestead **[exemp-**

14 tion from the taxes assessed against the property so held] *rebate*
 15 but no more than the equivalent of one full homestead [exemption
 16 in regard to such property] *rebate* shall be allowed in any year,
 17 and in any case in which the claimants cannot agree as to the
 18 apportionment thereof, such [exemption] *rebate* shall be appor-
 19 tioned between or among them in proportion to their interest.
 20 Property held by husband and wife, as tenants by the entirety,
 21 shall be deemed wholly owned by each tenant, but no more than
 22 one homestead [exemption] *rebate* in regard to such property shall
 23 be allowed in any year. Right to claim a homestead [exemption]
 24 *rebate* hereunder shall extend to property the title to which is
 25 held by a partnership, to the extent of the claimant's interest as
 26 a partner therein, and by a guardian, trustee, committee, conserva-
 27 tor or other fiduciary for any person who would otherwise be
 28 entitled to claim such [exemption] *rebate* hereunder, but not to
 29 property the title to which is held by a corporation.

1 8. Section 8 of P. L. 1976, c. 72 (C. 54:4-3.87) is amended to
 2 read as follows:

3 8. The director may promulgate such rules and regulations and
 4 prescribe such forms as he shall deem necessary to implement this
 5 act. He may require verification of eligibility or noneligibility for
 6 a homestead [exemption] *rebate* where doubt exists. *He may*
 7 *require an applicant to attach to his homestead rebate application*
 8 *a copy of the appropriate tax bill.* The director shall, for good
 9 cause shown extend the time of any applicant to file a claim for a
 10 homestead [exemption] *rebate* for a reasonable period. In such
 11 case, the application shall be processed and payments and credits
 12 made in accordance with the procedures established in the case of
 13 applications timely filed. He may, in his discretion, eliminate
 14 the necessity for sworn application, in which event all declarations
 15 by the claimant shall be considered as if made under oath and the
 16 claimant, as to false declarations, shall be subject to the penalties
 17 as provided by law for perjury.

1 *9. Section 9 of P. L. 1976, c. 72 (C. 54:4-3.88) is amended to
 2 read as follows:

3 9. Each assessor and collector and his duly designated assistants
 4 are hereby authorized to take and administer the oath, where
 5 required, on any claim for or statement in connection with a home-
 6 stead [exemption] *rebate* hereunder and no charge shall be made
 7 for the taking of any affidavit or the preparation of any form
 8 required by this act. *Each municipal tax collector shall, upon the*
 9 *request of a property owner, a person having an interest in the*
 10 *property or the director, furnish to such persons without cost a*

11 *duplicate copy of a property tax bill for use under this act or P. L.*
 12 *1976, c. 47. Each municipal tax assessor and municipal tax collector*
 13 *shall, at the request of the director, cooperate in supplying whatever*
 14 *information the director may require in the administration of*
 15 *this act.**

1 ***[9.]*** *10.* Section 10 of P. L. 1976, c. 72 (C. 54:4-3.89) is
 2 amended to read as follows:

3 10. No appeal or review may be taken by any person or any munic-
 4 ipality with respect to the determination or calculation of the effec-
 5 tive rate or ratios except in the case of an arithmetical or typo-
 6 graphical error. **[An exemption]** *A rebate* under this act shall not
 7 be affected by any change in the assessment of any property.

1 ***[10.]*** *11.* Section 12 of P. L. 1976, c. 72 (C. 54:4-3.91) is
 2 amended to read as follows:

3 12. The assessor shall determine the equalized value of a prop-
 4 erty by using the equalization ratio appearing in the tables of
 5 equalized valuation promulgated by the director on October 1 of
 6 the pretax year pursuant to P. L. 1954, c. 86, and applying such
 7 ratio to the assessed valuation of the property claimed for home-
 8 stead **[exemption]** *rebate*.

9 In the case of a revaluation or complete reassessment of the
 10 real property of a municipality, the ratio shall be determined to be
 11 the percentage level of the taxable value of real property estab-
 12 lished by the county board of taxation for that year pursuant to
 13 section 3 of P. L. 1960, c. 51 (C. 54:4-2.27).

1 ***[11.]*** *12.* Section 13 of P. L. 1976, c. 72 (C. 54:4-3.92) is
 2 amended to read as follows:

3 13. a. After review, the director **[shall]** *may prepare a list of*
 4 *persons entitled to the rebate, together with the respective amounts*
 5 *due. Such lists may be forwarded to the State Treasurer, the*
 6 *Director of the Division of Budget and Accounting and to such*
 7 *other officials as he may deem appropriate* **[certify the amount**
 8 *due each taxing district for homestead exemptions and shall cer-*
 9 *tify these amounts to the State Treasurer on or before March 15,*
 10 *1977, and on or before March 15 of each year thereafter]. The
 11 director may inspect all records in the office of the collector and
 12 the assessor with respect to claims and allowances for homestead
 13 **[exemptions]** *rebates*.*

14 b. Each tax collector shall, on or before **[January 1]** ***[March 1,**
 15 *and September 1]** **February 1 and June 30**, of each year furnish
 16 the **[tax assessor of his taxing district]** *director* with a list of
 17 delinquent property tax owners *in his district for taxes due and*
 18 *payable for the year immediately preceding* and the **[assessor shall**

19 indicate by symbol on the tax list and duplicates prior to submitting
 20 the same to the director the fact of such delinquency] amounts of
 21 such delinquencies. No homestead payment under this act shall
 22 be made to any property owner while such delinquency remains,
 23 provided, however that for the purposes of this act, property which
 24 is on appeal and for which the statutory percentage of the tax has
 25 been paid shall not be regarded as delinquent.

26 c. Where delinquencies remain on *[March 1 or September 1]*
 27 *February 1 or June 30*, as the case may be, the director shall
 28 ascertain the amounts of homestead rebates withheld because of
 29 such delinquencies in each municipality in the State, and shall certify
 30 such amounts to the State Treasurer as soon thereafter as may be
 31 practicable.

32 On or before *[April 1]* *June 1* and on or before *[October
 33 1]* *November 1*, the director shall notify each taxpayer whose
 34 homestead rebate has been withheld because of delinquency that
 35 the amount of such rebate to which he otherwise would have been
 35A entitled *[has been]* *will be* sent to the tax collector in his
 35B municipality to be credited against his delinquency.

36 d. The State Treasurer semi-annually on or before April 1 and
 37 on or before October 1 commencing in the year 1977, upon the
 38 certification of the Director of the Division of Taxation and upon
 39 the warrant of the State Comptroller, shall pay and distribute in
 40 equal [quarterly] installments the amount of the homestead [ex-
 41 emption] rebate to each qualified property owner as certified by
 42 the director.

43 e. Upon certification by the director as to the amount of rebates
 44 withheld because of delinquency in the several municipalities, the
 45 State Treasurer upon the warrant of the State Comptroller, shall
 46 pay such amount on or before *[April 1]* *June 1* and on or
 47 before *[October 1]* *November 1* commencing in the tax year
 48 1977 to the tax collector in each municipality.

49 f. The tax collector in each municipality shall credit the tax
 50 delinquency of each property owner who appears on the delin-
 51 quency list set forth in subsection b. above in the amount that
 52 otherwise would have been returned to him as a rebate. In the
 53 event that the amount so credited exceeds the amount of delin-
 54 quency, the tax collector may return the difference to the taxpayer
 55 or credit such amount to the subsequent tax bill.

1 *13. (New section) An aggrieved taxpayer may appeal from the
 2 disapproval of a claim for a homestead tax rebate by filing a peti-
 3 tion of appeal with the county board of taxation within 60 days
 4 from the date that such claim has been disapproved. If the prop-

5 erty owner's claim for homestead tax rebate is disapproved by the
6 county board of taxation, he may appeal therefrom to the State
7 Division of Tax Appeals within 60 days from the date of such dis-
8 approval. The Division of Tax Appeals shall render its judgment
9 within 90 days from the date the appeal was filed with it. In the
10 event that the Director of the Division of Taxation refuses to
11 certify the property owner's homestead tax rebate claim, the
12 director shall indicate the reasons why such claim has not been
13 certified and the claimant shall be permitted to file a petition of
14 appeal with respect to such refusal with the State Division of Tax
15 Appeals within 60 days of the date that a notice of refusal has been
16 mailed to the claimant by the director.*

1 *14. (New section) The homestead tax rebate authorized under
2 this act shall not be subject to any garnishment, attachment, execu-
3 tion or other legal process under any circumstances whatsoever,
4 nor shall the payment thereof be anticipated.*

1 ***[12.]*** *15.* This act shall take effect immediately and shall be
2 applicable to homestead rebates allowed, paid or credited in the
3 year 1977 and in each year thereafter***[.]*** *, except that a property
4 owner who is first entitled to a rebate under this act by reason of
5 the amendment to section 1 of P. L. 1976, c. 72 (C. 54:4-3.80) shall
6 within 45 days from the date of the enactment of this act file a
7 rebate application. Payment of the full amount of the rebate for
8 such claimants shall be made on or before October 1, 1977.*

ASSEMBLY, No. 2251

STATE OF NEW JERSEY

INTRODUCED SEPTEMBER 27, 1976

By Assemblymen BURNS, LEFANTE, BURSTEIN, HAMILTON,
VAN WAGNER, MARTIN, BROWN and OWENS

(Without Reference)

AN ACT to amend the title of "An act concerning exemptions from taxation, providing for homestead exemptions for citizens and residents of this State, and supplementing chapter 4 of Title 54 of the Revised Statutes," approved August 30, 1976 (P. L. 1976, c. 72), so that the same shall read "An act concerning rebates from taxation, providing homestead rebates for citizens and residents of this State, and supplementing chapter 4 of Title 54 of the Revised Statutes," amending the body of said act, repealing sections 6 and 11 thereof and making an appropriation therefor.

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

1 1. The title is amended to read as follows: "An act concerning
2 **[exemptions]** *rebates* from taxation, providing for homestead
3 **[exemptions]** *rebates* for citizens and residents of this State, and
4 supplementing chapter 4 of Title 54 of the Revised Statutes."

1 2. Section 1 of P. L. 1976, c. 72 (C. 54:4-3.80) is amended to read
2 as follows:

3 1. a. Every citizen and resident of this State shall be entitled,
4 annually, to a homestead **[exemption]** *rebate* on a dwelling house
5 and the land upon which such dwelling house is situated, which
6 constitutes the place of his domicile and which is owned and used
7 by him as his principal residence. If such citizen and resident
8 of this State is of the age of 65 or more years, or is less than 65
9 years of age yet permanently and totally disabled, as "disabled"
10 is defined in the "New Jersey Gross Income Tax Act" (54A:1-2f),
11 or is the surviving spouse of a deceased citizen and resident of this
12 State who during his lifetime received a real property tax deduc-

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

13 tion pursuant to this act or P. L. 1963, c. 172 (C. 54:4-8.40 et seq.),
 14 upon the same conditions, with respect to real property, notwith-
 15 standing that said surviving spouse is under the age of 65 and is
 16 not permanently and totally disabled, provided that said surviving
 17 spouse was 55 years of age or older at the time of death of said
 18 citizen and resident and remains unmarried, said taxpayer shall
 19 annually, upon proper claim being made therefor, be entitled to an
 20 additional **[exemption]** *rebate* as set forth in section 2 of this act.
 21 The said requirement of ownership shall be satisfied by the holding
 22 of the beneficial interest where the legal title thereto is held by
 23 another for the benefit of the said citizen and resident.

24 *A person who is a tenant for life or a tenant for 99 years or more*
 25 *or a person who is entitled to and actually takes possession of the*
 26 *land and dwelling house under an executory contract for the sale*
 27 *thereof, recorded with the clerk of the county in which the land is*
 28 *situated, shall be deemed to be an owner for the purposes of this act.*

29 b. As used in this act "dwelling house" includes any residential
 30 property consisting of not more than four units of which not more
 31 than one may be used for business or commercial purposes.

1 3. Section 2 of P. L. 1976, c. 72 (C. 54:4-3.81) is amended to read
 2 as follows:

3 2. a. The **[exemption]** *rebate* to be granted such citizen and
 4 resident of this State shall be calculated at \$1.50 per \$100.00 to
 5 \$10,000.00 of equalized value, or two-thirds of equalized value,
 6 whichever is less, plus 12.5% of the effective tax rate in the munici-
 7 pality wherein the **[exemption]** *rebate* is claimed, multiplied by
 8 \$10,000.00 of equalized value or two-thirds of equalized value
 9 whichever is less. If the claimant qualifies as a senior citizen, a
 10 totally disabled citizen under 65 of a surviving spouse, as set forth
 11 in section 1, such claimant shall be granted an additional \$50.00
 12 **[exemption]** *rebate* for the tax year 1977 and thereafter.

13 b. In no instance shall the amount of the homestead **[exemption]**
 14 *rebate* be greater than 50% of the *net* property tax otherwise due
 15 for the pretax year. For the purpose of this section, "effective
 16 rate" means the total tax levy for the pretax year on which the tax
 17 rate is computed divided by the apportionment valuation for the
 18 pretax year, as shown in the Table of Aggregates, prepared
 19 pursuant to R. S. 54:4-52.

20 c. Where the dwelling house as to which a homestead **[exemp-**
 21 **tion]** *rebate* is claimed is a residential property consisting of more
 22 than one unit, the claimant shall not be allowed **[an exemption]**
 23 *a rebate* in an amount in excess of the proportionate share that the

24 equalized value of the residential unit occupied by the claimant
 25 bears to the total equalized value of the property, as determined
 26 by the **[assessor]** *director*, provided, that each person qualifying
 27 for an additional rebate under subsection a. of this section shall
 28 be entitled to the full amount of such additional rebate subject to
 29 the property tax limitation of subsection b. of this section.

1 4. Section 3 of P. L. 1976, c. 72 (C. 54:4-3.82) is amended to
 2 read as follows:

3 3. No homestead **[exemption]** *rebate*, as provided herein, shall
 4 be allowed except upon written application therefor, which appli-
 5 cation shall be on a form *or schedule*, prescribed by the Director
 6 of the Division of Taxation, and provided for the use of claimants
 7 hereunder by the **[tax assessor]** *director* **[of the municipality con-**
 8 **stituting the taxing district in which such claim is to be filed, and**
 9 **the application has been approved as provided in this act].** **[Each**
 10 **assessor]** *The director* may at any time inquire into the right of
 11 a claimant to the continuance of a homestead **[exemption]** *rebate*
 12 hereunder and for that purpose he may require the filing of a new
 13 application *or schedule* or the submission of such proof as he shall
 14 deem necessary to determine the right of the claimant to continu-
 15 ance of such **[exemption]** *rebate*.

1 5. Section 4 of P. L. 1976, c. 72 (C. 54:4-3.83) is amended to
 2 read as follows:

3 4. **[a.]** An application for homestead **[exemption]** *rebate* here-
 4 under shall be filed with the **[assessor of the taxing district on or**
 5 **before]** *director at the time prescribed for filing the gross income*
 6 *tax return under P. L. 1976, c. 47 which* **[November 1, 1976 and]**
 7 shall reflect the prerequisites for **[exemption]** *rebate* as of October
 8 1, **[1975]** 1976, and **[on or before September 1 annually]** there-
 9 after **[and]** shall reflect the prerequisites for **[exemption]** *rebate*
 10 on October 1 of the respective pretax year; provided, however,
 11 that *the tax year 1977 rebate applications shall be filed directly*
 12 *with the assessor of the taxing district or with the director on or*
 13 *before December 1, 1976. Applications which have been filed with*
 14 *the local tax assessor shall be transmitted to the director promptly*
 15 *and the director shall review such applications and process them*
 16 *without any requirement with respect to including such application*
 17 *as part of the income tax return under P. L. 1976, c. 47, which must*
 18 *be filed by the property owner during 1977.* **[the]** *The director*
 19 may, by rule, waive the requirement for filing an annual appli-
 20 cation for any year or years subject to any limitations and con-
 21 ditions he may deem appropriate. If an application is approved

22 by the **[assessor]** *director* he shall allow a homestead **[exemption]**
 23 *rebate and shall determine* **[on the real property assessed to the**
 24 *claimant as described therein and shall indicate upon the assess-*
 25 *ment list and duplicates or as the director may otherwise prescribe*
 26 *the approval thereof in such manner as shall be prescribed by*
 27 *rules of the Director of the Division of Taxation together with]
 28 *the proportionate share of such property deemed to be owned by*
 29 *the claimant for the purposes of this act if he is not the sole owner*
 30 *thereof. [In addition, the director may require such approval to*
 31 *be indicated and further tax duplicate to be filed with him on or*
 32 *before January 10 of the tax year.] A person not otherwise re-*
 33 *quired to file an income tax return shall be required only to com-*
 34 *plete the schedule or form relating to the homestead rebate and*
 35 *such nonincome tax information as the director may require in*
 36 *order to effectively administer the homestead rebate provisions*
 37 *of this act.**

38 **[b.** An application for exemption may be filed on or before
 39 December 31 of the pretax year setting forth the prerequisites for
 40 exemption as of October 1 of said pretax year by any property
 41 owner subject to tax for the ensuing tax year who has not previously
 42 filed a claim for exemption or has previously filed a claim for
 43 exemption and there has taken place subsequent thereto with re-
 44 spect to said property an added or omitted assessment or a change
 45 in the status of the property owner.]

1 6. Section 5 of P. L. 1976, c. 72 (C. 54:4-3.84) is amended to
 2 read as follows:

3 5. Every fact essential to support a claim for a homestead **[ex-**
 4 **emption]** *rebate* hereunder shall exist on October 1 of the pretax
 5 year, except as in this section otherwise provided. Every appli-
 6 cation by a senior citizen, totally disabled person, or surviving
 7 spouse shall establish that he is or will be on or before December
 8 31 of the pretax year 65 or more years of age or is permanently
 9 and totally disabled or is a surviving spouse and that he was, on
 10 October 1 of the pretax year, (a) a citizen and resident of this
 11 State, (b) the owner of a dwelling house which is a constituent
 12 part of the real property for which a homestead **[exemption]**
 13 *rebate* is claimed, (c) residing in said dwelling house as his princi-
 14 pal residence. It shall be the duty of every claimant to inform
 15 the **[assessor]** *director* of any change in his status or property
 16 which may affect his right to continuance of such **[exemption]**
 17 *rebate.*

1 7. Section 7 of P. L. 1976, c. 72 (C. 54:4-3.86) is amended to
 2 read as follows:

3 7. Where title to property as to which a homestead **[exemption]**
 4 *rebate* is claimed is held by claimant and another or others, either
 5 as tenants in common or as joint tenants, claimant shall not be
 6 allowed a homestead **[exemption]** *rebate* in an amount in excess
 7 of his proportionate share of the taxes assessed against said prop-
 8 erty, which proportionate share, for the purposes of this act, shall
 9 be deemed to be equal to that of each of the other tenants, unless
 10 it is shown that the interest in question are not equal, in which
 11 event claimant's proportionate share shall be as shown. Nothing
 12 herein shall preclude more than one tenant, whether title be held
 13 in common or joint tenancy, from claiming a homestead **[exemp-**
 14 **tion** from the taxes assessed against the property so held] *rebate*,
 15 but no more than the equivalent of one full homestead **[exemption]**
 16 in regard to such property] *rebate* shall be allowed in any year,
 17 and in any case in which the claimants cannot agree as to the
 18 apportionment thereof, such **[exemption]** *rebate* shall be appor-
 19 tioned between or among them in proportion to their interest.
 20 Property held by husband and wife, as tenants by the entirety,
 21 shall be deemed wholly owned by each tenant, but no more than
 22 one homestead **[exemption]** *rebate* in regard to such property shall
 23 be allowed in any year. Right to claim a homestead **[exemption]**
 24 *rebate* hereunder shall extend to property the title to which is
 25 held by a partnership, to the extent of the claimant's interest as
 26 a partner therein, and by a guardian, trustee, committee, conserva-
 27 tor or other fiduciary for any person who would otherwise be
 28 entitled to claim such **[exemption]** *rebate* hereunder, but not to
 29 property the title to which is held by a corporation.

1 8. Section 8 of P. L. 1976, c. 72 (C. 54:4-3.87) is amended to
 2 read as follows:

3 8. The director may promulgate such rules and regulations and
 4 prescribe such forms as he shall deem necessary to implement this
 5 act. He may require verification of eligibility or noneligibility for
 6 a homestead **[exemption]** *rebate* where doubt exists. *He may*
 7 *require an applicant to attach to his homestead rebate application*
 8 *a copy of the appropriate tax bill.* The director shall, for good
 9 cause shown extend the time of any applicant to file a claim for a
 10 homestead **[exemption]** *rebate* for a reasonable period. In such
 11 case, the application shall be processed and payments and credits
 12 made in accordance with the procedures established in the case of
 13 applications timely filed. He may, in his discretion, eliminate
 14 the necessity for sworn application, in which event all declarations
 15 by the claimant shall be considered as if made under oath and the

16 claimant, as to false declarations, shall be subject to the penalties
17 as provided by law for perjury.

1 9. Section 9 of P. L. 1976, c. 72 (C. 54:4-3.88) is amended to
2 read as follows:

3 9. **[**Each assessor and collector and his duly designated assist-
4 ants are hereby authorized to take and administer the oath, where
5 required, on any claim for or statement in connection with a home-
6 stead exemption hereunder and no charge shall be made for the
7 taking of any affidavit or the preparation of any form required by
8 this act.**]**

9 *Each municipal tax collector shall, upon the request of a property*
10 *owner, a person having an interest in the property or the director,*
11 *furnish to such persons without cost a duplicate copy of a property*
12 *tax bill for use under this act or P. L. 1976, c. 47. Each municipal*
13 *tax assessor and municipal tax collector shall, at the request of*
14 *the director, cooperate in supplying whatever information the*
15 *director may require in the administration of this act.*

1 10. Section 10 of P. L. 1976, c. 72 (C. 54:4-89) is amended to
2 read as follows:

3 10. No appeal or review may be taken by any person or any munic-
4 ipality with respect to the determination or calculation of the effec-
5 tive rate or ratios except in the case of an arithmetical or typo-
6 graphical error. **[**An exemption**]** *A rebate* under this act shall not
7 be affected by any change in the assessment of any property.

1 11. Section 12 of P. L. 1976, c. 72 (C. 54:4-3.91) is amended to
2 read as follows:

3 12. The **[**assessor**]** *director* shall determine the equalized value
4 of a property by using the equalization ratio appearing in the tables
5 of equalized valuation promulgated by **[**the director**]** *him* on
6 October 1 of the pretax year pursuant to P. L. 1954, c. 86, and
7 applying such ratio to the assessed valuation of the property
8 claimed for homestead **[**exemption**]** *rebate*.

9 **[**In the case of a revaluation or complete reassessment of the
10 real property of a municipality, the ratio shall be determined to be
11 the percentage level of the taxable value of real property estab-
12 lished by the county board of taxation for that year pursuant to
13 section 3 of P. L. 1960, c. 51 (C. 54:4-2.27).**]**

1 12. Section 13 of P. L. 1976, c. 72 (C. 54:4-3.92) is amended to
2 read as follows:

3 13. a. After review, the director **[**shall**]** *may prepare a list of*
4 *persons entitled to the rebate, together with the respective amounts*
5 *due. Such lists may be forwarded to the State Treasurer, the*

6 *Director of the Division of Budget and Accounting and to such*
 7 *other officials as he may deem appropriate* [certify the amount
 8 due each taxing district for homestead exemptions and shall cer-
 9 tify these amounts to the State Treasurer on or before March 15,
 10 1977, and on or before March 15 of each year thereafter]. The
 11 director may inspect all records in the office of the collector and
 12 the assessor with respect to claims and allowances for homestead
 13 [exemptions] rebates.

14 b. Each tax collector shall, on or before January [1] 15 of each
 15 year furnish the [tax assessor of his taxing district] director with
 16 a list of delinquent property tax owners *in his district as of De-*
 17 *cember 31 of the year immediately preceding* and the [assessor
 18 shall indicate by symbol on the tax list and duplicates prior to
 19 submitting the same to the director the fact of such delinquency]
 20 *amounts of such delinquencies*. No homestead payment under this
 21 act shall be made to any property owner while such delinquency
 22 remains, *provided, however, that for the purposes of this act,*
 23 *property which is on appeal and for which the statutory percentage*
 24 *of the tax has been paid shall not be regarded as delinquent.*

25 c. *An application for a homestead rebate filed for 1977 shall be*
 26 *promptly reviewed by the director and if approved by him, the*
 27 *full amount due shall be paid to the applicant on or before April*
 28 *1, 1977. An application for a homestead rebate filed in 1978 at*
 29 *the time income tax returns are required to be filed under P. L.*
 30 *1976, c. 47, shall be promptly reviewed by the director and if ap-*
 31 *proved by him, the applicant shall be allowed a homestead rebate*
 32 *for said year of 50% of the amount of the rebate otherwise pre-*
 33 *scribed under section 2 of this act (C. 54:4-3.81). Said amount*
 34 *shall be applied against any income tax liability of the applicant*
 35 *and any amount of the excess of the homestead rebate so due*
 36 *shall be promptly returned to the applicant.*

37 d. The State Treasurer [semiannually on or before April 1 and
 38 on or before October 1 commencing in the year 1977,] upon the
 39 certification of the Director of the Division of Taxation and upon
 40 the warrant of the State Comptroller, shall pay and distribute,
 41 [in equal quarterly installments,] *in accordance with the provisions*
 42 *of this act* the amount of the homestead [exemption] rebate to
 43 each qualified property owner as certified by the director.

1 13. (New section) There is hereby appropriated to the Depart-
 2 ment of the Treasury the sum of \$130 million from the revenues
 3 derived from the New Jersey State Gross Income Tax for the
 4 payment of homestead rebates in accordance with this act.

1 14. Sections 6 (C. 54:4-3.85) and 11 (C. 54:4-3.90) of P. L.
2 1976, c. 72, are repealed.

1 15. This act shall take effect immediately and shall be applicable
2 to homestead rebates allowed, paid or credited in the year 1977
3 and in each year thereafter.

STATEMENT

This bill is designed to shift the administration of the Homestead Exemption Act from the local assessors to the State, so that it will be administered by the Division of Taxation, in conjunction with the New Jersey Gross Income Tax Act, P. L. 1976, c. 47.

Under the bill, applications for homestead rebates for 1977 may be filed with the Division of Taxation or the local tax assessor. For 1978, applications must be filed with the Division of Taxation at the same time as the income tax return is due. For 1977, rebates for the full amount of the homestead rebate will be issued directly to the taxpayer. For 1978, applicants will be entitled to a credit against their income tax and the balance will be remitted to them.

Under the bill, the 1977 full rebate will be allowed upon approval of the application so that the rebate will be received in one payment, as against two payments under the present law.

In order to carry this into effect, the bill appropriates an additional \$130 million.

It is believed that the administration provided for under the bill is a vast improvement over the present law and will lighten the compliance burdens and reduce the administrative costs.