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RH/CL

P.L.2017, CHAPTER 207, *approved August 7, 2017*

Assembly, No. 1953

1 AN ACT requiring that senior and disabled property taxpayers be
2 allowed to make installment payments to repay amounts
3 overpaid by the State for homestead credits and homestead
4 property tax reimbursement, amending P.L.1999, c.63 and
5 P.L.1997, c.348.

6

7 **BE IT ENACTED** *by the Senate and General Assembly of the State*
8 *of New Jersey:*

9

10 1. Section 15 of P.L.1999, c.63 (C.54:4-8.66b) is amended to
11 read as follows:

12 15. **Any** a. Except as provided in subsection b. of this
13 section, a person who receives a homestead rebate or credit
14 otherwise authorized under this act but which has been paid in error
15 and which is recoverable by the director, and fails to return the
16 payment within 45 days of receiving notice from the director that
17 such payment was erroneous, shall pay, in addition to the amount of
18 the erroneous rebate or credit, interest at the rate prescribed in
19 R.S.54:49-3, assessed for each month or fraction thereof,
20 compounded annually at the end of each year, from the date next
21 following the 45th day after receiving the notice from the director
22 that such payment was erroneous until the date of the return of the
23 erroneous payment.

24 b. A person who is 65 years of age or older at the close of the
25 tax year, or who is allowed to claim a personal deduction as a blind
26 or disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1,
27 who receives a notice from the director pursuant to this section,
28 shall within 45 days after receiving that notice, be permitted to
29 enter into an installment payment agreement for a reasonable period
30 of time that will enable the person to completely satisfy the amount
31 paid in error and without the assessment of interest thereon.

32 (cf: P.L.2007, c.62, s.30)

33

34 2. Section 16 of P.L.1999, c.63 (C.54:4-8.66c) is amended to
35 read as follows:

36 16. **A** Except for an installment payment agreement permitted
37 pursuant to subsection b. of section 15 of P.L.1999, c.63 (C.54:4-
38 8.66b), a homestead rebate or credit paid as a result of
39 misrepresentation or paid in error and any penalties and interest as
40 imposed thereon by this act, shall be payable to and recoverable by
41 the director in the same manner as a deficiency with respect to the

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 underlined thus is new matter.

1 payment of a State tax in accordance with the State Uniform Tax
2 Procedure Law, R.S.54:48-1 et seq.
3 (cf: P.L.2007, c.62, s.31)
4

5 3. Section 3 of P.L.1997, c.348 (C.54:4-8.70) is amended to
6 read as follows:

7 3. An application for a homestead property tax reimbursement
8 hereunder shall be filed with the director annually on or before June
9 1 of the year following the year for which the claim is being made
10 and shall reflect the prerequisites for a homestead property tax
11 reimbursement on December 31 of the tax year for which the claim
12 is being made; provided, however, that the director may, by rule,
13 designate a later date as the date by which the application shall be
14 filed or waive the requirement for filing an annual application for
15 any year or years subject to any limitations and conditions the
16 director may deem appropriate. The application shall be on a form
17 prescribed by the director and provided for the use of applicants
18 hereunder. Each applicant making a claim for a homestead property
19 tax reimbursement under this act shall provide, if required by the
20 director, to the director a copy of his or her current year property
21 tax bill or current year site fee bill on the homestead constituting
22 that person's principal residence and a copy of his or her property
23 tax bill for the base year or site fee bill for the base year on the
24 same homestead, or other equivalent proof as permitted by the
25 director.

26 It shall be the duty of every eligible claimant to inform the
27 director of any change in his or her status or homestead which may
28 affect his or her right to continuance of the homestead property tax
29 reimbursement.

30 If an eligible claimant receives an additional homestead property
31 tax reimbursement to which the claimant was not entitled or greater
32 than the reimbursement to which the claimant was entitled, the
33 director shall permit the claimant to enter into an installment
34 payment agreement for a reasonable period of time that will enable
35 the claimant to completely satisfy the amount of the reimbursement
36 paid to which the claimant was not entitled. If the claimant does
37 not enter into an installment payment agreement, the director may,
38 in addition to all other available legal remedies, offset such amount
39 against a gross income tax refund or amount due pursuant to
40 P.L.1990, c.61.

41 (cf: P.L. 2003, c.30, s.1)
42

43 4. This act shall take effect immediately.

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Allows installment payments for senior and disabled property taxpayers to repay overpayments of homestead credits and homestead property tax reimbursements.

ASSEMBLY, No. 1953

STATE OF NEW JERSEY

217th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

Sponsored by:

Assemblyman CRAIG J. COUGHLIN

District 19 (Middlesex)

Assemblyman JOSEPH A. LAGANA

District 38 (Bergen and Passaic)

Assemblywoman L. GRACE SPENCER

District 29 (Essex)

Assemblywoman ELIZABETH MAHER MUOIO

District 15 (Hunterdon and Mercer)

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

Co-Sponsored by:

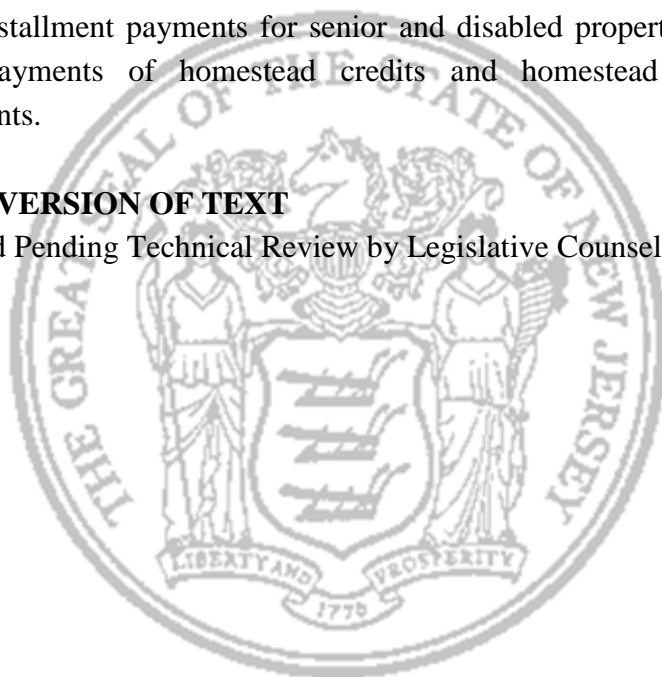
Assemblyman Conaway and Assemblywoman Jasey

SYNOPSIS

Allows installment payments for senior and disabled property taxpayers to repay overpayments of homestead credits and homestead property tax reimbursements.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT requiring that senior and disabled property taxpayers be
2 allowed to make installment payments to repay amounts
3 overpaid by the State for homestead credits and homestead
4 property tax reimbursement, amending P.L.1999, c.63 and
5 P.L.1997, c.348.

6

7 **BE IT ENACTED** by the Senate and General Assembly of the State
8 of New Jersey:

9

10 1. Section 15 of P.L.1999, c.63 (C.54:4-8.66b) is amended to
11 read as follows:

12 15. **[Any]** a. Except as provided in subsection b. of this section,
13 a person who receives a homestead rebate or credit otherwise
14 authorized under this act but which has been paid in error and
15 which is recoverable by the director, and fails to return the payment
16 within 45 days of receiving notice from the director that such
17 payment was erroneous, shall pay, in addition to the amount of the
18 erroneous rebate or credit, interest at the rate prescribed in
19 R.S.54:49-3, assessed for each month or fraction thereof,
20 compounded annually at the end of each year, from the date next
21 following the 45th day after receiving the notice from the director
22 that such payment was erroneous until the date of the return of the
23 erroneous payment.

24 b. A person who is who is 65 years of age or older at the close
25 of the tax year, or who is allowed to claim a personal deduction as a
26 blind or disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-
27 1, who receives a notice from the director pursuant to this section,
28 shall within 45 days after receiving that notice, be permitted to
29 enter into an installment payment agreement for a reasonable period
30 of time that will enable the person to completely satisfy the amount
31 paid in error and without the assessment of interest thereon.

32 (cf: P.L.2007, c.62, s.30)

33

34 2. Section 16 of P.L.1999, c.63 (C.54:4-8.66c) is amended to
35 read as follows:

36 16. **[A]** Except for an installment payment agreement permitted
37 pursuant to subsection b. of section 15 of P.L.1999, c.63 (C.54:4-
38 8.66b), a homestead rebate or credit paid as a result of
39 misrepresentation or paid in error and any penalties and interest as
40 imposed thereon by this act, shall be payable to and recoverable by
41 the director in the same manner as a deficiency with respect to the
42 payment of a State tax in accordance with the State Uniform Tax
43 Procedure Law, R.S.54:48-1 et seq.

44 (cf: P.L.2007, c.62, s.31)

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 underlined thus is new matter.

1 3. Section 3 of P.L.1997, c.348 (C.54:4-8.70) is amended to
2 read as follows:

3 3. An application for a homestead property tax reimbursement
4 hereunder shall be filed with the director annually on or before June
5 1 of the year following the year for which the claim is being made
6 and shall reflect the prerequisites for a homestead property tax
7 reimbursement on December 31 of the tax year for which the claim
8 is being made; provided, however, that the director may, by rule,
9 designate a later date as the date by which the application shall be
10 filed or waive the requirement for filing an annual application for
11 any year or years subject to any limitations and conditions the
12 director may deem appropriate. The application shall be on a form
13 prescribed by the director and provided for the use of applicants
14 hereunder. Each applicant making a claim for a homestead property
15 tax reimbursement under this act shall provide, if required by the
16 director, to the director a copy of his or her current year property
17 tax bill or current year site fee bill on the homestead constituting
18 that person's principal residence and a copy of his or her property
19 tax bill for the base year or site fee bill for the base year on the
20 same homestead, or other equivalent proof as permitted by the
21 director.

22 It shall be the duty of every eligible claimant to inform the
23 director of any change in his or her status or homestead which may
24 affect his or her right to continuance of the homestead property tax
25 reimbursement.

26 If an eligible claimant receives an additional homestead property
27 tax reimbursement to which the claimant was not entitled or greater
28 than the reimbursement to which the claimant was entitled, the
29 director shall permit the claimant to enter into an installment
30 payment agreement for a reasonable period of time that will enable
31 the claimant to completely satisfy the amount of the reimbursement
32 paid to which the claimant was not entitled. If the claimant does
33 not enter into an installment payment agreement, the director may,
34 in addition to all other available legal remedies, offset such amount
35 against a gross income tax refund or amount due pursuant to
36 P.L.1990, c.61.

37 (cf: P.L. 2003, c.30, s.1)

38

39 4. This act shall take effect immediately.

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41

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STATEMENT

43

44 This bill will allow senior or disabled citizens who are paid or
45 credited homestead credits or homestead property tax
46 reimbursement amounts, or both, in amounts greater than they are
47 entitled to, to repay the overpayment amounts in installment
48 payments. An installment payment agreement must be offered by

A1953 COUGHLIN, LAGANA

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1 the Director of the Division of Taxation for a reasonable period of
2 time to enable the recipient to fully satisfy the amount owed to the
3 State. This bill is intended to establish a mechanism for indebted
4 seniors and persons with disabilities to extinguish these debts in a
5 fair and reasonable matter without the State unilaterally intercepting
6 future appropriate payments of these benefits which may cause
7 undue economic harm to the recipients.

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 1953
STATE OF NEW JERSEY
217th LEGISLATURE

DATED: APRIL 7, 2016

SUMMARY

Synopsis: Allows installment payments for senior and disabled property taxpayers to repay overpayments of homestead credits and homestead property tax reimbursements.

Type of Impact: Indeterminate State revenue loss.

Agencies Affected: Division of Taxation (Treasury)

Office of Legislative Services Estimate

| Fiscal Impact | <u>Year 1</u> | <u>Year 2</u> | <u>Year 3</u> |
|----------------------|---|----------------------|----------------------|
| State Revenue | Indeterminate Revenue Loss – See comments below | | |

- The Office of Legislative Services concludes that the enactment of Assembly Bill No. 1953 could result in an indeterminate loss of State revenues in the form of interest assessed against homestead credit overpayments not returned to the State in accordance with current law.
- Information on the total amount of erroneous homestead credit payments distributed to senior citizens and disabled persons and the total amount of erroneous homestead property tax reimbursement payments is not available at this time.
- It is possible that a taxpayer permitted to repay an overpayment under the terms of an installment payment plan will receive another annual homestead credit or homestead property tax reimbursement while still owing moneys to the State.

BILL DESCRIPTION

Assembly Bill No. 1953 of 2016 allows senior or disabled citizens who are paid or credited homestead credits or homestead property tax reimbursement amounts, or both, in amounts greater than they are entitled to, to repay the overpayment amounts in installment payments. An installment payment agreement must be offered by the Director of the Division of Taxation for a reasonable period of time to enable the recipient to fully satisfy the amount owed back to the State. This bill is intended to establish a mechanism for indebted seniors and persons with

disabilities to extinguish these debts in a fair and reasonable matter without the State unilaterally intercepting future appropriate payments of these benefits and causing undue economic harm to the recipients.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services concludes that the enactment of Assembly Bill No. 1953 could result in an indeterminate loss of State revenues. These revenues are generated by interest assessed monthly if a homestead credit is not repaid within 45 days after a recipient is notified that the payment was erroneous. The bill permits the Director of the Division of Taxation to enter into installment payment agreements that will enable senior citizens and disabled persons to return any moneys paid in error without the assessment of interest on the amounts owed to the State. Information on the total amount of erroneous homestead credit payments distributed to senior citizens and disabled persons and the total amount of erroneous homestead property tax reimbursement payments is not available at this time. In 2015 the Division of Taxation informally indicated that its Deferred Payments Section collects approximately \$4,000 per month that can be attributed to the repayment of homestead credits and homestead property tax reimbursements that are greater than the amount to which the taxpayer was entitled.

Current law (P.L.1981, c.239 (C.54A:9-8.1 et seq.)) required the Department of the Treasury to apply all or a portion of a homestead rebate or credit that would otherwise be paid to an eligible taxpayer to satisfy any indebtedness to any agency or institution of State government. The Treasury Department is authorized to retain a percentage of the collection proceeds to offset any expenses of the collection effort. The Director of the Division of Taxation is authorized to use all available legal remedies to recover erroneous amounts paid to taxpayers through the homestead property tax reimbursement program. If Assembly Bill No. 1953 is enacted into law, it may take longer for the State to recover erroneous homestead credit and homestead property tax reimbursement payments. It is also possible that a taxpayer permitted to repay an overpayment under the terms of an installment payment plan will receive a homestead credit or homestead property tax reimbursement while still owing moneys to the State. Currently, these benefits would be diverted towards satisfying the overpayment.

Section: Local Government

*Analyst: Scott A. Brodsky
Senior Fiscal Analyst*

*Approved: Frank W. Haines III
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1953

STATE OF NEW JERSEY

DATED: APRIL 4, 2016

The Assembly Appropriations Committee reports favorably Assembly Bill No. 1953.

This bill allows senior or disabled citizens who are paid or credited homestead credits or homestead property tax reimbursement amounts, or both, in amounts greater than that to which they are entitled, to repay the overpayment amounts in installment payments, without the imposition of interest. The bill requires the Director of the Division of Taxation to offer an installment payment agreement for a reasonable period of time to enable the recipient to fully satisfy the amount owed to the State. This bill is intended to establish a mechanism for indebted seniors and persons with disabilities to extinguish these debts in a fair and reasonable matter without the State unilaterally intercepting future appropriate payments of these benefits which may cause undue economic harm to the recipients.

FISCAL IMPACT:

The Office of Legislative Services concludes that the enactment of Assembly Bill No. 1953 could result in an indeterminate loss of State revenues in the form of interest assessed against homestead credit overpayments not returned to the State in accordance with current law.

Information on the total amount of erroneous homestead credit payments distributed to senior citizens and disabled persons and the total amount of erroneous homestead property tax reimbursement payments is not available at this time.

It is possible that a taxpayer permitted to repay an overpayment under the terms of an installment payment plan will receive another annual homestead credit or homestead property tax reimbursement while still owing moneys to the State.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1953

STATE OF NEW JERSEY

DATED: JUNE 1, 2017

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 1953.

This bill allows senior or disabled citizens who are paid or credited homestead credits or homestead property tax reimbursement amounts, or both, in amounts greater than that to which they are entitled, to repay the overpayment amounts in installment payments, without the imposition of interest. The bill requires the Director of the Division of Taxation to offer an installment payment agreement for a reasonable period of time to enable the recipient to fully satisfy the amount owed to the State. This bill is intended to establish a mechanism for indebted seniors and persons with disabilities to extinguish these debts in a fair and reasonable manner without the State unilaterally intercepting future appropriate payments of these benefits which may cause undue economic harm to the recipients.

As reported, this bill is identical to Senate Bill No. 2448, as also reported by the committee.

FISCAL IMPACT:

The Office of Legislative Services concludes that the enactment of this bill could result in an indeterminate loss of State revenues in the form of interest assessed against homestead credit overpayments not returned to the State in accordance with current law.

Information on the total amount of erroneous homestead credit payments distributed to senior citizens and disabled persons and the total amount of erroneous homestead property tax reimbursement payments is not available at this time.

It is possible that a taxpayer permitted to repay an overpayment under the terms of an installment payment plan will receive another annual homestead credit or homestead property tax reimbursement while still owing moneys to the State.

SENATE, No. 2448

STATE OF NEW JERSEY
217th LEGISLATURE

INTRODUCED JUNE 30, 2016

Sponsored by:

Senator JOSEPH F. VITALE

District 19 (Middlesex)

Senator JIM WHELAN

District 2 (Atlantic)

Co-Sponsored by:

Senators Madden and Turner

SYNOPSIS

Allows installment payments for senior and disabled property taxpayers to repay overpayments of homestead credits and homestead property tax reimbursements.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/23/2017)

1 AN ACT requiring that senior and disabled property taxpayers be
2 allowed to make installment payments to repay amounts
3 overpaid by the State for homestead credits and homestead
4 property tax reimbursement, amending P.L.1999, c.63 and
5 P.L.1997, c.348.

6
7 **BE IT ENACTED** by the Senate and General Assembly of the State
8 of New Jersey:

9
10 1. Section 15 of P.L.1999, c.63 (C.54:4-8.66b) is amended to
11 read as follows:

12 15. **[Any]** a. Except as provided in subsection b. of this
13 section, a person who receives a homestead rebate or credit
14 otherwise authorized under this act but which has been paid in error
15 and which is recoverable by the director, and fails to return the
16 payment within 45 days of receiving notice from the director that
17 such payment was erroneous, shall pay, in addition to the amount of
18 the erroneous rebate or credit, interest at the rate prescribed in
19 R.S.54:49-3, assessed for each month or fraction thereof,
20 compounded annually at the end of each year, from the date next
21 following the 45th day after receiving the notice from the director
22 that such payment was erroneous until the date of the return of the
23 erroneous payment.

24 b. A person who is 65 years of age or older at the close of the
25 tax year, or who is allowed to claim a personal deduction as a blind
26 or disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1,
27 who receives a notice from the director pursuant to this section,
28 shall within 45 days after receiving that notice, be permitted to
29 enter into an installment payment agreement for a reasonable period
30 of time that will enable the person to completely satisfy the amount
31 paid in error and without the assessment of interest thereon.

32 (cf: P.L.2007, c.62, s.30)

33

34 2. Section 16 of P.L.1999, c.63 (C.54:4-8.66c) is amended to
35 read as follows:

36 16. **[A]** Except for an installment payment agreement permitted
37 pursuant to subsection b. of section 15 of P.L.1999, c.63 (C.54:4-
38 8.66b), a homestead rebate or credit paid as a result of
39 misrepresentation or paid in error and any penalties and interest as
40 imposed thereon by this act, shall be payable to and recoverable by
41 the director in the same manner as a deficiency with respect to the
42 payment of a State tax in accordance with the State Uniform Tax
43 Procedure Law, R.S.54:48-1 et seq.

44 (cf: P.L.2007, c.62, s.31)

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 underlined thus is new matter.

1 3. Section 3 of P.L.1997, c.348 (C.54:4-8.70) is amended to
2 read as follows:

3 3. An application for a homestead property tax reimbursement
4 hereunder shall be filed with the director annually on or before June
5 1 of the year following the year for which the claim is being made
6 and shall reflect the prerequisites for a homestead property tax
7 reimbursement on December 31 of the tax year for which the claim
8 is being made; provided, however, that the director may, by rule,
9 designate a later date as the date by which the application shall be
10 filed or waive the requirement for filing an annual application for
11 any year or years subject to any limitations and conditions the
12 director may deem appropriate. The application shall be on a form
13 prescribed by the director and provided for the use of applicants
14 hereunder. Each applicant making a claim for a homestead property
15 tax reimbursement under this act shall provide, if required by the
16 director, to the director a copy of his or her current year property
17 tax bill or current year site fee bill on the homestead constituting
18 that person's principal residence and a copy of his or her property
19 tax bill for the base year or site fee bill for the base year on the
20 same homestead, or other equivalent proof as permitted by the
21 director.

22 It shall be the duty of every eligible claimant to inform the
23 director of any change in his or her status or homestead which may
24 affect his or her right to continuance of the homestead property tax
25 reimbursement.

26 If an eligible claimant receives an additional homestead property
27 tax reimbursement to which the claimant was not entitled or greater
28 than the reimbursement to which the claimant was entitled, the
29 director shall permit the claimant to enter into an installment
30 payment agreement for a reasonable period of time that will enable
31 the claimant to completely satisfy the amount of the reimbursement
32 paid to which the claimant was not entitled. If the claimant does
33 not enter into an installment payment agreement, the director may,
34 in addition to all other available legal remedies, offset such amount
35 against a gross income tax refund or amount due pursuant to
36 P.L.1990, c.61.

37 (cf: P.L.2003, c.30, s.1)

38

39 4. This act shall take effect immediately.

40

41

42

STATEMENT

43

44 This bill will allow senior or disabled citizens who are paid or
45 credited homestead credits or homestead property tax
46 reimbursement amounts, or both, in amounts greater than they are
47 entitled to, to repay the overpayment amounts in installment
48 payments. An installment payment agreement must be offered by

S2448 VITALE, WHELAN

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1 the Director of the Division of Taxation for a reasonable period of
2 time to enable the recipient to fully satisfy the amount owed to the
3 State. This bill is intended to establish a mechanism for indebted
4 seniors and persons with disabilities to extinguish these debts in a
5 fair and reasonable matter without the State unilaterally intercepting
6 future appropriate payments of these benefits which may cause
7 undue economic harm to the recipients.

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 2448
STATE OF NEW JERSEY
217th LEGISLATURE

DATED: JUNE 5, 2017

SUMMARY

Synopsis: Allows installment payments for senior and disabled property taxpayers to repay overpayments of homestead credits and homestead property tax reimbursements.

Type of Impact: Indeterminate State revenue loss.

Agencies Affected: Division of Taxation (Treasury)

Office of Legislative Services Estimate

| Fiscal Impact | <u>Year 1</u> | <u>Year 2</u> | <u>Year 3</u> |
|----------------------|---|----------------------|----------------------|
| State Revenue | Indeterminate Revenue Loss – See comments below | | |

- The Office of Legislative Services concludes that the enactment of Senate Bill No. 2448 could result in an indeterminate loss of State revenues in the form of interest assessed against homestead credit overpayments not returned to the State in accordance with current law.
- Information on the total amount of erroneous homestead credit payments distributed to senior citizens and disabled persons and the total amount of erroneous homestead property tax reimbursement payments is not available.
- It is possible that a taxpayer permitted to repay an overpayment under the terms of an installment payment plan will receive another annual homestead credit or homestead property tax reimbursement while still owing moneys to the State.

BILL DESCRIPTION

Senate Bill No. 2448 of 2016 allows senior or disabled citizens who are paid or credited homestead credits or homestead property tax reimbursement amounts, or both, in amounts greater than they are entitled to, to repay the overpayment amounts in installment payments without interest. An installment payment agreement must be offered by the Director of the Division of Taxation for a reasonable period of time to enable the recipient to fully satisfy the

amount owed to the State. This bill is intended to establish a mechanism for indebted seniors and persons with disabilities to extinguish these debts in a fair and reasonable manner without the State unilaterally intercepting future appropriate payments of these benefits which may cause undue economic harm to the recipients.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The Office of Legislative Services concludes that the enactment of Senate Bill No. 2448 could result in an indeterminate loss of State revenues. These revenues are generated by interest assessed monthly if a homestead credit is not repaid within 45 days after a recipient is notified that the payment was erroneous. The bill permits the Director of the Division of Taxation to enter into installment payment agreements that will enable senior citizens and disabled persons to return any moneys paid in error without the assessment of interest on the amounts owed to the State. Information on the total amount of erroneous homestead credit payments distributed to senior citizens and disabled persons and the total amount of erroneous homestead property tax reimbursement payments is not available. In 2015 the Division of Taxation informally indicated that its Deferred Payments Section collects approximately \$4,000 per month that can be attributed to the repayment of homestead credits and homestead property tax reimbursements that are greater than the amount to which the taxpayer was entitled.

Current law (P.L.1981, c.239 (C.54A:9-8.1 et seq.)) requires the Department of the Treasury to apply a portion of a homestead rebate or credit that would otherwise be paid to an eligible taxpayer to satisfy any indebtedness to any agency or institution of State government. The Treasury Department is authorized to retain a percentage of the collection proceeds to offset any expenses of the collection effort. The Director of the Division of Taxation is authorized to use all available legal remedies to recover erroneous amounts paid to taxpayers through the homestead property tax reimbursement program. If Senate Bill No. 2448 is enacted into law, it may take longer for the State to recover erroneous homestead credit and homestead property tax reimbursement payments. It is also possible that a taxpayer permitted to repay an overpayment under the terms of an installment payment plan will receive a homestead credit or homestead property tax reimbursement while still owing moneys to the State. Currently, these benefits would be diverted towards satisfying the overpayment.

Section: Local Government

Analyst: Scott A. Brodsky
Senior Fiscal Analyst

Approved: Frank W. Haines III
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2448

STATE OF NEW JERSEY

DATED: JUNE 1, 2017

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2448.

This bill allows senior or disabled citizens who are paid or credited homestead credits or homestead property tax reimbursement amounts, or both, in amounts greater than that to which they are entitled, to repay the overpayment amounts in installment payments, without the imposition of interest. The bill requires the Director of the Division of Taxation to offer an installment payment agreement for a reasonable period of time to enable the recipient to fully satisfy the amount owed to the State. This bill is intended to establish a mechanism for indebted seniors and persons with disabilities to extinguish these debts in a fair and reasonable manner without the State unilaterally intercepting future appropriate payments of these benefits which may cause undue economic harm to the recipients.

As reported, this bill is identical to Assembly Bill No.1953, as also reported by the committee.

FISCAL IMPACT:

The Office of Legislative Services concludes that the enactment of this bill could result in an indeterminate loss of State revenues in the form of interest assessed against homestead credit overpayments not returned to the State in accordance with current law.

Information on the total amount of erroneous homestead credit payments distributed to senior citizens and disabled persons and the total amount of erroneous homestead property tax reimbursement payments is not available at this time.

It is possible that a taxpayer permitted to repay an overpayment under the terms of an installment payment plan will receive another annual homestead credit or homestead property tax reimbursement while still owing moneys to the State.

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Governor Christie Takes Action On Pending Legislation

Monday, August 7, 2017

Tags: [Bill Action](#)

Trenton, NJ - Governor Chris Christie today announced that he has taken action on the following pending legislation:

BILL SIGNINGS:

S-169/A-4329 (Bateman/McKeon, Zwicker) - Allows certain emergency squad volunteers holding municipal elective office to vote on emergency squad concerns

S-452/A-838 (Sacco, Greenstein/Jimenez, Moriarty) - Requires waiver of dealer obligation regarding necessary repairs impacting vehicle inspection to include description of known defects

S-678/A-4967 (Rice/Watson, Tucker, Caputo) - Requires local government units to certify compliance with certain federal hiring requirements when filing annual budgets

S-726/A-4460 (Cruz-Perez, Oroho/Jones, Mosquera, Downey, Johnson) – Extends full protection of Law Against Discrimination to persons having liability for service in Armed Forces of United States; guarantees equal employment opportunity in State contracting to all veterans

S-996wGR/A-1378 (Rice, Van Drew, Turner/Muoio, Benson, Pintor Marin, Quijano, Schaer) – Requires report on status of lead-safe program in DCA

S-1219/A-936 (Holzapfel, Allen/Wolfe, McGuckin, Oliver, Giblin, Wimberly) - Requires reporting of suspected abuse of institutionalized elderly to police and that facility employees receive notice of reporting requirement annually; designated as "Peggy's Law"

S-1359/A-4096 (A.R. Bucco, Stack/A.M. Bucco, Vainieri Huttie, McKnight, Mazzeo) - Guarantees full and equal access to all housing to disabled persons who retain their retired service or guide dog as a pet, and who also obtain a new service or guide dog

S-1497/A-3225 (A.R. Bucco, Pennacchio/Dancer, Clifton, Munoz, A.M. Bucco) - Designates Killed in Action flag as an official State flag; mandates it be displayed at certain public buildings

SCS for S-1640, 1642, 1013/AS AS ACS for A-3152, 3154, 2426 (Van Drew, Holzapfel, Singer, Turner/Andrzejczak, McGuckin, Land, Wolfe, Vainieri Huttie, Taliaferro, Benson) - Establishes requirements concerning necessary care of dogs, domestic companion animals, and service animals, and for tethering of dogs

S-1660/A-770 (Van Drew, Cruz-Perez/Andrzejczak, Land, Houghtaling, DeAngelo, Johnson) - Provides for voluntary contributions by taxpayers on gross income tax returns for maintenance of certain State memorials honoring war veterans

S-1731/A-2368 (Gordon, Allen/Vainieri Huttie) - Permits municipality to establish civil penalty for smoking in public places

S-1739/A-2167 (Turner, Diegnan/Johnson, Vainieri Huttie, Wimberly) - Establishes sexual assault training requirements for law enforcement officers

S-1750/A-2729 (Madden, Cruz-Perez/A.M. Bucco, DeAngelo, Space, Mosquera, Wisniewski, DeCroce, Mukherji, Jones) - Establishes special motorcycle license plates for veterans

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[Letter Regarding S3074 \[pdf 45kB\]](#)

S-1808/A-3342 (Van Drew, Diegnan/Karabinchak) - Designates striped bass as NJ State Saltwater Fish; redesignates brook trout as NJ Freshwater Fish

S-2153/A-3520 (Gordon/Eustace, Sumter, Wimberly, Vainieri Huttie, Johnson) – Requires NJTA to study impact of constructing rail stations at certain park and ride facilities

S-2369/A-4152 (Whelan, Van Drew, Connors/Andrzejczak, Mazzeo, Land, Burzichelli) - Limits application of DEP shellfish habitat rules for certain dredging activities

S-2457/A-3999 (Van Drew, Oroho/Houghtaling, Andrzejczak, Mazzeo, Space, Downey) - Enables collection of voluntary contributions for Jersey Fresh Program through gross income tax returns

S-2578/A-4239 (Cunningham, Pou, Gordon/Sumter, Jasey, Benson, Muoio, Downey, Mukherji) - Revises New Jersey College Loans to Assist State Students Loan Program to require applicants first exhaust federal student loans, require income verification, and limit total student loan amounts

S-2884/A-4484 (Whelan, Greenstein/Eustace, Quijano, Chiaravalloti, Caride) - Declares that deed restrictions or agreements that prevent raising or constructing of a structure to certain flood elevation standards are unenforceable

S-2892/A-5042 (Sweeney/Giblin) - Exempts certain real estate brokers, broker-salespersons and salespersons from continuing education requirement

S-3074/A-4586 (Lesniak, Turner/Johnson, Oliver, Holley, Chiaravalloti) - Establishes gubernatorial veto power over Waterfront Commission of New York Harbor's meeting minutes; expands gubernatorial oversight powers over commission

S-3244/A-4854 (Sweeney, Allen/Singleton, Burzichelli, Taliaferro) - Designates portion of Interstate Highway Route 295 in West Deptford Township as "State Trooper Sean E. Cullen Memorial Highway"

A-445/S-1661 (Mazzeo, Pinkin, DeAngelo, Chiaravalloti/Van Drew, A.R. Bucco) - Provides for voluntary contributions by taxpayers on gross income tax returns for the NJ World War II Veterans' Memorial Fund

A-1185/S-2771 (Mosquera, Holley, Moriarty, Quijano/Cruz-Perez, Van Drew) - Requires State Comptroller to report findings of audit compliance reviews

A-1199/S-1326 (Mosquera, Moriarty, Lagana, Zwicker, Downey/Turner, Oroho) - Permits a victim or witness of any age to testify by closed circuit television under certain circumstances in prosecutions for domestic violence, sexual assault, and certain other crimes

ACS for A-1690/SCS SCS for S-660, 2002 (Dancer, Singleton, Andrzejczak, Land, Benson, Moriarty, Houghtaling/Turner, Beach, Van Drew) - Allows fire district elections to be moved to November; eliminates certain fire district budget referenda; and eliminates certain fire district capital purchase referenda

A-1953/S-2448 (Coughlin, Lagana, Muoio, Benson, Houghtaling, Danielsen, Mukherji/Vitale, Whelan) - Allows installment payments for senior and disabled property taxpayers to repay overpayments of homestead credits and homestead property tax reimbursements

A-1955/SCS for S-1795 (Jones, Lampitt, Phoebus, Space/A.R. Bucco, Oroho) - Provides for voluntary discharge of personal representatives overseeing administration of estates by application to the Surrogate's Court

A-2176/S-156 (Taliaferro, Eustace, Benson, Mazzeo, Chiaravalloti/Madden, Ruiz) - Criminalizes possession and sale of alpha-pyrrolidinopentophenone (alpha-PVP), commonly known as "flakka" or "flocka"

A-3056/SCS for S-2360, 3030 (Taliaferro, Dancer, Houghtaling, Space, Andrzejczak, Webber/Allen, Greenstein, Bateman, Smith, Wimberly) – Requires DEP to establish voluntary guidelines for K-12 schools and institutions of higher education to reduce, recover, and recycle food waste; extends "Food Bank Good Samaritan Act" immunity protections to public and nonpublic schools.

A-3058/S-2366 (Space, Taliaferro, Dancer, Houghtaling, Andrzejczak/Oroho, Ruiz) - Establishes Farm to School Coordinating Council

A-3381 (McKnight, Holley, Vainieri Huttie, Houghtaling, Chiaravalloti, Quijano, Gordon) – Authorizes municipal volunteer programs for free removal of snow from certain residential properties occupied by seniors or disabled persons.

A-3386/S-2711 (Schaer, Vainieri Huttie, Chiaravalloti, Caride, Mukherji, Wimberly/Vitale, Rice) - Provides protections for children under the age of 18 with developmental disabilities and individuals with developmental disabilities ages 18-21 receiving services from Division of Children's System of Care

A-3437/S-1076 (DeAngelo, Gusciora, Land, Andrzejczak/Turner) - Designates "Garden State" as State Slogan

A-3896/S-2790 (Sumter, Mukherji, Pintor Marin/Scutari, Turner) - Concerns sale of certain tires

A-3908/S-3021 (Mazzeo, DeAngelo, Mukherji, Houghtaling, Quijano/Whelan, T. Kean) - Establishes 9/11 Memorial Registry

A-3911/S-2863 (Wisniewski, Vainieri Huttie, Mukherji/Cardinale, Pennacchio) - Provides that motor vehicle registration expires on registrant's numerical calendar day of birth

A-4164/S-2588 (Houghtaling, Downey, Holley, Muoio, Webber/Van Drew, Cruz-Perez) - Requires State Auditor to annually report on unspent State account balances

A-4206/S-2676 (Karabinchak, Prieto, Webber, Holley/Diegnan, A.R. Bucco) - Requires candidates for election to school board to file with their nominating petitions specific affirmation that they have not been convicted of crimes that would disqualify them from office

A-4230/S-3141 (Conaway, O'Scanlon, Mukherji, Pintor Marin/Codey) - Requires health insurance carriers; SHBP, and SEHBP to inform covered persons about organ and tissue donation

ACS for A-4432/SCS for S-2841 (Schaer, Lampitt, Benson, Singleton, Chiaravalloti, Wimberly/Cunningham) - Provides increased tax credit amounts under Grow New Jersey Assistance Program for certain businesses that have collaborative research relationships with colleges or universities

A-4542/S-2986 (Mazzeo, Johnson, Land, Andrzejczak, DeCrocce/Van Drew) - Designates portion of State Highway Route 55 as "State Trooper Frankie L. Williams Memorial Highway"

A-4580/S-2989 (Taliaferro, Burzichelli, Quijano, Houghtaling/Lesniak, Oroho) - Appropriates \$2,900,000 from "2009 Farmland Preservation Fund" for grants to certain nonprofit organizations for farmland preservation purposes

A-4581/S-2987 (Houghtaling, Andrzejczak, Singleton, Downey/Cruz-Perez, Oroho) - Appropriates \$22,385,743 to State Agriculture Development Committee for farmland preservation purposes

A-4582/S-2990 (Andrzejczak, Mazzeo, Taliaferro, Zwicker, Houghtaling/Whelan, Van Drew) - Appropriates \$32.5 million from constitutionally dedicated CBT revenues to State Agriculture Development Committee for county planning incentive grants

A-4584/S-2988 (Zwicker, Taliaferro, Burzichelli, Houghtaling/Sweeney) - Appropriates \$7,500,000 from constitutionally dedicated CBT revenues for planning incentive grants to municipalities for farmland preservation purposes

A-4630/S-1938 (Jones/Cruz-Perez) - Repeals law regulating charges assessed by a miller for grinding grain

A-4673/S-3095 (Houghtaling, Downey/Van Drew) - Concerns assessment of buildings or structures on real property located in certain counties following material depreciation thereof

A-4713/S-3235 (Burzichelli, Prieto, Gusciora, DeAngelo, Benson/Kyrillos, Whelan) - Designates building where NJEDA is located in memory of Caren Franzini to commemorate her outstanding service to State

A-4895/S-3056 (Egan, Sumter, Pinkin/Cunningham) - Eliminates UI exemption for interns employed by hospitals

BILL VETOED:

S-2214/A-3847 (Turner, Cunningham/Lampitt, Mukherji, Johnson, Eustace) - CONDITIONAL - Requires institutions of higher education and proprietary degree-granting institutions to improve transparency of tuition and fees

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