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No

HEARINGS:

Yes

Public hearing before Senate Military and Veterans' Affairs Committee : Senate Concurrent Resolution 110 (2R), proposes constitutional amendment to extend veterans' property tax deduction to continuing care retirement communities [December 6, 2018, Trenton, New Jersey] / meeting recorded and transcribed by the Office of Legislative Services, Public Information Office, Hearing Unit.

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NEWSPAPER ARTICLES:

No

RWH/CL

P.L. 2019, CHAPTER 203, *approved August 5, 2019*
Senate, No. 1331 (*Second Reprint*)

1 AN ACT concerning certain veterans' real property tax exemptions
2 and deductions and amending P.L.1971, C.398, P.L.1948, c.259
3 and P.L.1963, c.171.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. Section 1 of P.L.1963, c.171 (C.54:4-8.10) is amended to
9 read as follows:

10 1. (a) "Active service in time of war" means active service by
11 a person, while in the United States Armed Forces, at some time
12 during one of the following periods:

13 Operation "Iraqi Freedom", on or after the date the President of
14 the United States or the United States Secretary of Defense
15 designates as the inception date of that operation, who served in
16 Iraq or in another area in the region in direct support of that
17 operation for a period, continuously or in the aggregate, of at least
18 14 days in such active service commencing on or before the date the
19 President of the United States or the United States Secretary of
20 Defense designates as the termination date of that operation;
21 provided, that any person receiving an actual service-incurred injury
22 or disability while engaged in such service shall be classed as a
23 veteran whether or not that person has completed the 14 days'
24 service as herein provided;

25 The period of rescue and recovery of the victims of the terrorist
26 attack on the World Trade Center in New York, New York, on
27 September 11, 2001, who served on the pile of rubble that resulted
28 from the attacks on the World Trade Center in direct support of that
29 rescue and recovery effort for a period, continuously or in the
30 aggregate, of at least 14 days in such active service commencing on
31 September 11, 2001 and ending on May 30, 2002; provided, that
32 any person receiving an actual service-incurred injury or disability
33 while engaged in such service shall be classed as a veteran whether
34 or not that person has completed the 14 days' service as herein
35 provided;

36 Operation "Enduring Freedom", on or after September 11, 2001,
37 who served in a theater of operation and in direct support of that
38 operation for a period, continuously or in the aggregate, of at least
39 14 days in such active service commencing on or before the date 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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SMV committee amendments adopted May 31, 2018.

²Senate floor amendments adopted June 25, 2018.

1 President of the United States or the United States Secretary of
2 Defense designates as the termination date of that operation;
3 provided, that any person receiving an actual service-incurred injury
4 or disability while engaged in such service shall be classed as a
5 veteran whether or not that person has completed the 14 days'
6 service as herein provided;

7 Operation "Restore Hope" in Somalia, on or after December 5,
8 1992, or the date of inception of that operation as proclaimed by the
9 President of the United States or Congress, whichever date is
10 earliest, who has served in Somalia or on board any ship actively
11 engaged in patrolling the territorial waters of that nation for a
12 period, continuously or in the aggregate, of at least 14 days in such
13 active service commencing on or before March 31, 1994; provided
14 that any person receiving an actual service-incurred injury or
15 disability shall be classed as a veteran whether or not that person
16 has completed the 14-day service as herein provided;

17 Operations "Joint Endeavor" and "Joint Guard" in the Republic
18 of Bosnia and Herzegovina, on or after November 20, 1995, who
19 served in such active service in direct support of one or both of the
20 operations for at least 14 days, continuously or in the aggregate,
21 commencing on or before June 20, 1998, and (1) was deployed in
22 that nation or in another area in the region, or (2) was on board a
23 United States naval vessel operating in the Adriatic Sea, or (3)
24 operated in airspace above the Republic of Bosnia and
25 Herzegovina; provided that any person receiving an actual service-
26 incurred injury or disability shall be classed as a veteran whether or
27 not that person completed the 14-day service requirement;

28 Operation Northern Watch and Operation Southern Watch, on or
29 after August 27, 1992, or the date of inception of that operation, as
30 proclaimed by the President of the United States, Congress or
31 United States Secretary of Defense, whichever date of inception is
32 earliest, who served in the theater of operation, including in the
33 Arabian peninsula and the Persian Gulf, and in direct support of that
34 operation for a period, continuously or in the aggregate, of at least
35 14 days in such active service, commencing on or before the date of
36 termination as proclaimed by the President of the United States,
37 Congress or United States Secretary of Defense, whichever date of
38 termination is the latest; provided, that any person receiving an
39 actual service-incurred injury or disability while engaged in such
40 service shall be classed as a veteran whether or not that person has
41 completed the 14 days' service as herein provided;

42 Operation "Desert Shield/Desert Storm" mission in the Arabian
43 peninsula and the Persian Gulf, on or after August 2, 1990 or the
44 date of inception of that operation, as proclaimed by the President
45 of the United States or Congress, whichever date of inception is
46 earliest, who has served in the Arabian peninsula or on board any
47 ship actively engaged in patrolling the Persian Gulf for a period,
48 continuous or in the aggregate, of at least 14 days commencing on

1 or before the date of termination of that mission, as proclaimed by
2 the President of the United States or Congress, whichever date of
3 termination is the latest, in such active service; provided, that any
4 person receiving an actual service-incurred injury or disability shall
5 be classed as a veteran whether or not that person has completed the
6 14 days' service as herein provided;

7 The Panama peacekeeping mission, on or after December 20,
8 1989 or the date of inception of that mission, as proclaimed by the
9 President of the United States or Congress, whichever date of
10 inception is earliest, who has served in Panama or on board any ship
11 actively engaged in patrolling the territorial waters of that nation for
12 a period, continuous or in the aggregate, of at least 14 days
13 commencing on or before January 31, 1990 or the date of
14 termination of that mission, as proclaimed by the President of the
15 United States or Congress, whichever date of termination is the
16 latest, in such active service; provided, that any person receiving an
17 actual service-incurred injury or disability shall be classed as a
18 veteran whether or not that person has completed the 14 days'
19 service as herein provided;

20 The Grenada peacekeeping mission, on or after October 23,
21 1983, who has served in Grenada or on board any ship actively
22 engaged in patrolling the territorial waters of that nation for a
23 period, continuous or in the aggregate, of at least 14 days
24 commencing on or before November 21, 1983 or the date of
25 termination of that mission as proclaimed by the President of the
26 United States or Congress, whichever date of termination is the
27 latest, in such active service; provided, that any person receiving an
28 actual service-incurred injury or disability shall be classed as a
29 veteran whether or not that person has completed the 14 days'
30 service as herein provided;

31 The Lebanon peacekeeping mission, on or after September 26,
32 1982, who has served in Lebanon or on board any ship actively
33 engaged in patrolling the territorial waters of that nation for a
34 period, continuous or in the aggregate, of at least 14 days
35 commencing on or before December 1, 1987 or the date of
36 termination of that mission, as proclaimed by the President of the
37 United States or Congress, whichever date of termination is the
38 latest, in such active service; provided, that any person receiving an
39 actual service-incurred injury or disability shall be classed as a
40 veteran whether or not that person has completed the 14 days'
41 service as herein provided;

42 The Vietnam conflict, December 31, 1960, to May 7, 1975;

43 The Lebanon crisis, on or after July 1, 1958, who has served in
44 Lebanon or on board any ship actively engaged in patrolling the
45 territorial waters of that nation for a period, continuous or in the
46 aggregate, of at least 14 days commencing on or before November
47 1, 1958 or the date of termination of that conflict, as proclaimed by
48 the President of the United States or Congress, whichever date of

1 termination is the latest, in such active service; provided, that any
2 person receiving an actual service-incurred injury or disability shall
3 be classed as a veteran whether or not that person has completed the
4 14 days' service as herein provided;

5 The Korean conflict, June 23, 1950 to January 31, 1955;
6 World War II, September 16, 1940 to December 31, 1946;
7 World War I, April 6, 1917 to November 11, 1918, and in the
8 case of service with the United States military forces in Russia,
9 April 6, 1917 to April 1, 1920;

10 Spanish-American War, April 21, 1898 to August 13, 1898;
11 Civil War, April 15, 1861 to May 26, 1865; or, as to any
12 subsequent war, during the period from the date of declaration of
13 war to the date on which actual hostilities shall cease.

14 (b) "Assessor" means the assessor, board of assessors or any
15 other official or body of a taxing district charged with the duty of
16 assessing real and personal property for the purpose of general
17 taxation.

18 (c) "Collector" means the collector or receiver of taxes of a
19 taxing district.

20 (d) "Honorably discharged or released under honorable
21 circumstances from active service in time of war," means and
22 includes every form of separation from active, full-time duty with
23 military or naval pay and allowances in some branch of the Armed
24 Forces of the United States in time of war, other than those marked
25 "dishonorable," "undesirable," "bad conduct," "by sentence of
26 general court martial," "by sentence of summary court martial" or
27 similar expression indicating that the discharge or release was not
28 under honorable circumstances. A disenrollment certificate or other
29 form of release terminating temporary service in a military or naval
30 branch of the armed forces rendered on a voluntary and part-time
31 basis without pay, or a release from or deferment of induction into
32 the active military or naval service shall not be deemed to be
33 included in the aforementioned phrase.

34 (e) "Pre-tax year" means the particular calendar year
35 immediately preceding the "tax year."

36 (f) "Resident" means one legally domiciled within the State of
37 New Jersey. Mere seasonal or temporary residence within the State,
38 of whatever duration, shall not constitute domicile within the State
39 for the purposes of this act. Absence from this State for a period of
40 12 months shall be prima facie evidence of abandonment of
41 domicile in this State. The burden of establishing legal domicile
42 within the State shall be upon the claimant.

43 (g) "Tax year" means the particular calendar year in which the
44 general property tax is due and payable.

45 (h) "Veteran" means any citizen and resident of this State
46 honorably discharged or released under honorable circumstances
47 from active service in time of war in any branch of the Armed
48 Forces of the United States.

1 (i) "Veteran's deduction" means the deduction against the taxes
2 payable by any person, allowable pursuant to this act.

3 (j) "Surviving spouse" means the surviving wife or husband of
4 any of the following, while he or she is a resident of this State,
5 during widowhood or widowerhood:

6 1. A citizen and resident of this State who has died or shall die
7 while on active duty in time of war in any branch of the Armed
8 Forces of the United States; or

9 2. A citizen and resident of this State who has had or shall
10 hereafter have active service in time of war in any branch of the
11 Armed Forces of the United States and who died or shall die while
12 on active duty in a branch of the Armed Forces of the United States;
13 or

14 3. A citizen and resident of this State who has been or may
15 hereafter be honorably discharged or released under honorable
16 circumstances from active service in time of war in any branch of
17 the Armed Forces of the United States.

18 (k) "Cooperative" means a housing corporation or association
19 incorporated or organized under the laws of New Jersey which
20 entitles a shareholder thereof to possess and occupy for dwelling
21 purposes a house, apartment or other structure owned or leased by
22 the corporation or association.

23 (l) "Mutual housing corporation" means a corporation not-for-
24 profit incorporated under the laws of New Jersey on a mutual or
25 cooperative basis within the scope of section 607 of the "National
26 Defense Housing Act," Pub.L.76-849 (42 U.S.C.s.1521 et seq.),
27 which acquired a National Defense Housing Project pursuant to that
28 act.

29 (m) "Continuing care retirement community" means a residential
30 facility primarily for retired persons where lodging and nursing,
31 medical or other health related services at the same or another
32 location are provided as continuing care to a resident of the facility
33 pursuant to an agreement effective for the life of the resident and in
34 consideration of the payment of an entrance fee with or without
35 other periodic charges, which agreement requires the individual to
36 bear a share of the property taxes that are assessed upon the
37 continuing care retirement community, if a share is attributable to
38 the unit that the resident occupies.

39 (cf: P.L.2017, c.134, s.1)
40

41 2. Section 2 of P.L.1963, c.171 (C:54:4-8.11) is amended to
42 read as follows:

43 2. Every person a citizen and resident of this State now or
44 hereafter honorably discharged or released under honorable
45 circumstances from active service in time of war in any branch of
46 the Armed Forces of the United States and a surviving spouse as
47 defined herein, during her widowhood or his widowerhood, and
48 while a resident of this State, shall be entitled, annually, on proper

1 claim being made therefor, to a deduction from the amount of any
2 tax bill for taxes on real or personal property or both in the sum of
3 \$100 in tax year 2000, \$150 in tax year 2001, \$200 in tax year
4 2002, and \$250 in each subsequent tax year, or if the amount of any
5 such tax shall be less than \$100 in tax year 2000, \$150 in tax year
6 2001, \$200 in tax year 2002, and \$250 in each subsequent tax year,
7 to a cancellation thereof. A person otherwise eligible for the
8 veterans' deduction who is a resident of a continuing care
9 retirement community shall ²[be entitled to]² receive the amount of
10 the deduction to the extent of the share of the taxes assessed against
11 the real property of the continuing care retirement community that
12 is attributable to the unit that the resident occupies. ²The
13 continuing care retirement community shall provide that amount as
14 a payment or credit to the resident for the amount of the property
15 tax credit received by the continuing care retirement community.
16 That payment or credit shall be made to the resident no later than 30
17 days after the continuing care retirement community receives the
18 property tax bill on which the credit appears.²
19 (cf: P.L.2000, c.9, s.1)

20
21 3. Section 6 of P.L.1963, c.171 (C.54:4-8.15) is amended to
22 read as follows:

23 6. Every fact essential to support a claim for a veteran's
24 deduction hereunder shall exist on October 1 of the pretax year and
25 in the case of an application by a veteran such application shall
26 establish that the claimant was, on October 1 of the pretax year, (a)
27 a veteran, as herein defined, (b) the owner of the legal title to the
28 property as to which the veteran's deduction is claimed and (c) a
29 citizen and resident of this State and, in the case of an application
30 by a surviving spouse, as herein defined, such application shall
31 establish that the surviving spouse was, on October 1 of the pretax
32 year, (a) the owner of the legal title to the property as to which the
33 veteran's deduction is claimed, (b) that he or she has not remarried
34 and (c) that he or she is a resident of this State. For purposes of
35 establishing a claim, a tenant shareholder in a cooperative or a
36 mutual housing corporation shall be deemed the owner of legal title
37 to his proportionate share of the taxable value of the real property
38 of the corporation or any other entity holding title. For the purpose
39 of establishing a claim, a resident of a continuing care retirement
40 community shall be deemed the owner of legal title to the share of
41 the taxable value of the real property of the continuing care
42 retirement community that is attributable to the unit that the
43 resident occupies.

44 (cf: P.L.1989, c.252, s.6)

45
46 4. Section 9 of P.L.1963, c.171 (C.54:4-8.18) is amended to
47 read as follows:

48 9. Where title to property as to which a veteran's deduction is

1 claimed is held by claimant and another or others, either as tenants
2 in common or as joint tenants, a claimant shall not be allowed a
3 veteran's deduction in an amount in excess of his or her
4 proportionate share of the taxes assessed against said property,
5 which proportionate share, for the purposes of this act, shall be
6 deemed to be equal to that of each of the other tenants, unless the
7 conveyance under which title is held specifically provides unequal
8 interests, in which event claimant's interest shall be as specifically
9 established in said conveyance. Property held by husband and wife,
10 as tenants by the entirety, shall be deemed to be wholly owned by
11 each tenant. Nothing herein shall preclude more than one tenant,
12 whether title be held in common, joint tenancy or by the entirety,
13 from claiming a veteran's deduction from the tax assessed against
14 the property so held. Right to claim a veteran's deduction
15 hereunder shall extend to property title to which is held by a
16 partnership, to the extent of the claimant's interest as a partner
17 therein, and by a guardian, trustee, committee, conservator or other
18 fiduciary for any person who would otherwise be entitled to claim a
19 veteran's deduction hereunder, but not to property the title to which
20 is held by a corporation, except that a tenant shareholder in a
21 cooperative or mutual housing corporation shall be entitled to claim
22 a veteran's deduction to the extent of his proportionate share of the
23 taxes assessed against the real property of the corporation or any
24 other entity holding title, and except that a resident of a continuing
25 care retirement community shall be entitled to ²[claim a] receive
26 the² veterans' deduction to the extent of the share of the taxes
27 assessed against the real property of the continuing care retirement
28 community that is attributable to the unit that the resident occupies.
29 ²The continuing care retirement community shall provide that
30 amount as a payment or credit to the resident for the amount of the
31 property tax credit received by the continuing care retirement
32 community. That payment or credit shall be made to the resident no
33 later than 30 days after the continuing care retirement community
34 receives the property tax bill on which the credit appears.²

35 (cf: P.L.1989, c.252, s.7)

36

37 ²[5. Section 1 of P.L.1948, c.259 (C.54:4-3.30) is amended to
38 read as follows:

39 1. a. The dwelling house and the lot or curtilage whereon the
40 same is erected, of any citizen and resident of this State, now or
41 hereafter honorably discharged or released under honorable
42 circumstances, from active service, in time of war, in any branch of
43 the Armed Forces of the United States, who has been or shall be
44 declared by the United States Veterans Administration or its
45 successor to have a service-connected disability from paraplegia,
46 sarcoidosis, osteochondritis resulting in permanent loss of the use of
47 both legs, or permanent paralysis of both legs and lower parts of the
48 body, or from hemiplegia and has permanent paralysis of one leg

1 and one arm or either side of the body, resulting from injury to the
2 spinal cord, skeletal structure, or brain or from disease of the spinal
3 cord not resulting from any form of syphilis; or from total
4 blindness; or from amputation of both arms or both legs, or both
5 hands or both feet, or the combination of a hand and a foot; or from
6 other service-connected disability declared by the United States
7 Veterans Administration or its successor to be a total or 100%
8 permanent disability, and not so evaluated solely because of
9 hospitalization or surgery and recuperation, sustained through
10 enemy action, or accident, or resulting from disease contracted
11 while in such active service, shall be exempt from taxation, on
12 proper claim made therefor, and such exemption shall be in addition
13 to any other exemption of such person's real and personal property
14 which now is or hereafter shall be prescribed or allowed by the
15 Constitution or by law but no taxpayer shall be allowed more than
16 one exemption under this act.

17 A person otherwise eligible for the exemption who is a resident
18 of a continuing care retirement community shall be entitled to claim
19 the exemption to the extent of the share of the taxes assessed
20 against the real property of the continuing care retirement
21 community that is attributable to the unit that the resident occupies.

22 b. (1) The surviving spouse of any such citizen and resident
23 of this State, who at the time of death was entitled to the exemption
24 provided under this act, shall be entitled, on proper claim made
25 therefor, to the same exemption as the deceased had, during the
26 surviving spouse's widowhood or widowerhood, as the case may be,
27 and while a resident of this State, for the time that the surviving
28 spouse is the legal owner thereof and actually occupies the said
29 dwelling house or any other dwelling house thereafter acquired. A
30 surviving spouse otherwise entitled to the exemption who is a
31 resident of a continuing care retirement community shall be entitled
32 to claim the exemption to the extent of the share of the taxes
33 assessed against the real property of the continuing care retirement
34 community that is attributable to the unit that the surviving spouse
35 occupies.

36 (2) The surviving spouse of any citizen and resident of this State
37 who was honorably discharged and, after the citizen and resident's
38 death, is declared to have suffered a service-connected disability as
39 provided in subsection a. of this section, shall be entitled, on proper
40 claim made therefor, to the same exemption the deceased would
41 have become eligible for. The exemption shall continue during the
42 surviving spouse's widowhood or widowerhood, as the case may be,
43 and while a resident of this State, for the time that the surviving
44 spouse is the legal owner thereof and actually occupies the dwelling
45 house or any other dwelling house thereafter acquired. A surviving
46 spouse otherwise entitled to the exemption who is a resident of a
47 continuing care retirement community shall be entitled to claim the
48 exemption to the extent of the share of the taxes assessed against

1 the real property of the continuing care retirement community that
2 is attributable to the unit that the surviving spouse occupies.

3 c. The surviving spouse of any citizen and resident of this
4 State, who died in active service in time of war in any branch of the
5 Armed Forces of the United States, shall be entitled, on proper
6 claim made therefor, to an exemption from taxation on the dwelling
7 house and lot or curtilage whereon the same is erected, during the
8 surviving spouse's widowhood or widowerhood, as the case may be,
9 and while a resident of this State, for the time that the surviving
10 spouse is the legal owner thereof and actually occupies the said
11 dwelling or any other dwelling house thereafter acquired. A
12 surviving spouse otherwise entitled to the exemption who is a
13 resident of a continuing care retirement community shall be entitled
14 to claim the exemption to the extent of the share of the taxes
15 assessed against the real property of the continuing care retirement
16 community that is attributable to the unit that the surviving spouse
17 occupies.

18 d. The surviving spouse of any citizen and resident of this State
19 who died prior to January 10, 1972, that being the effective date of
20 P.L.1971, c.398, and whose circumstances were such that, had said
21 law become effective during the deceased's lifetime, the deceased
22 would have become eligible for the exemption granted under this
23 section as amended by said law, shall be entitled, on proper claim
24 made therefor, to the same exemption as the deceased would have
25 become eligible for upon the dwelling house and lot or curtilage
26 occupied by the deceased at the time of death, during the surviving
27 spouse's widowhood or widowerhood, as the case may be, and
28 while a resident of this State, for the time that the surviving spouse
29 is the legal owner thereof and actually occupies the said dwelling
30 house on the premises to be exempted. A surviving spouse
31 otherwise entitled to the exemption who is a resident of a
32 continuing care retirement community shall be entitled to claim the
33 exemption to the extent of the share of the taxes assessed against
34 the real property of the continuing care retirement community that
35 is attributable to the unit that the surviving spouse occupies.

36 e. Nothing in this act shall be intended to include paraplegia or
37 hemiplegia resulting from locomotor ataxia or other forms of
38 syphilis of the central nervous system, or from chronic alcoholism,
39 or to include other forms of disease resulting from the veteran's own
40 misconduct which may produce signs and symptoms similar to
41 those resulting from paraplegia, osteochondritis, or hemiplegia.

42 (cf: P.L.2007, c.317, s.1)²

43

44 ²[6. Section 2 of P.L.1948, c.259 (C.54:4-3.31) is amended to
45 read as follows:

46 2. All exemptions from taxation under P.L.1948, c.259
47 (C.54:4-3.30 et seq.) shall be allowed by the assessor upon the
48 filing with him of a claim in writing under oath, made by or on

1 behalf of the person claiming the same, showing the right to the
2 exemption, briefly describing the property for which exemption is
3 claimed and having annexed thereto a certificate of the claimant's
4 honorable discharge or release under honorable circumstances, from
5 active service, in time of war, in any branch of the armed forces and
6 a certificate from the United States Veterans Administration or its
7 successor, certifying to a service-connected disability of such
8 claimant of the character described in section 1 of P.L.1948, c.259
9 (C.54:4-3.30). In the case of a claim by a surviving spouse of such
10 veteran, the claimant shall establish in writing under oath that the
11 claimant is the owner of the legal title to the premises on which
12 exemption is claimed; that the claimant occupies the dwelling house
13 on said premises as the claimant's legal residence in this State; that
14 the veteran shall have been declared, either during the veteran's
15 lifetime or after the veteran's death, by the United States Veterans
16 Administration to have or to have had a service-connected disability
17 of a character described in this act, or, in the case of a claim for an
18 exemption under subsection c. of section 1 of P.L.1948, c.259
19 (C.54:4-3.30), that the veteran shall have been declared to have died
20 in active service in time of war; that the veteran was entitled to an
21 exemption provided for in this act, except for an exemption under
22 paragraph (2) of subsection b. and subsection c. of section 1 hereof,
23 at the time of death; and that the claimant is a resident of this State
24 and has not remarried. Such exemptions shall be allowed and
25 prorated by the assessor for the remainder of any taxable year from
26 the date the claimant shall have acquired title to the real property
27 intended to be exempt by this act. Where a portion of a multiple-
28 family building or structure occupied by the claimant is the subject
29 of such exemption, the assessor shall aggregate the assessment on
30 the lot or curtilage and building or structure and allow an exemption
31 of that percentage of the aggregate assessment as the value of the
32 portion of the building or structure occupied by the claimant bears
33 to the value of the entire building or structure.

34 For the purpose of establishing a claim, a resident of a
35 continuing care retirement community shall be deemed the owner of
36 legal title to the share of the taxable value of the real property of the
37 continuing care retirement community that is attributable to the unit
38 that the resident occupies.

39 (cf: P.L.2007, c.317, s.2)]²

40

41 ²[7. Section 4 of P.L.1948, c.259 (C.54:4-3.33) is amended to
42 read as follows:

43 4. Dwelling house," as used in **[this act]** P.L.1948, c.259
44 (C.54:4-3.30 et al.), shall mean any one-family building or structure
45 or any unit of a horizontal property regime established pursuant to
46 the "Horizontal Property Act," P.L.1963, c. 168 (C. 46:8A-1 et
47 seq.) or any unit of a condominium property established pursuant to
48 the "Condominium Act," P.L.1969, c. 257 (C. 46:8B-1 et seq.)

1 owned and occupied by a claimant as his legal residence in this
2 State, or a unit in a continuing care retirement community occupied
3 by a claimant as his legal residence in this State, or where a
4 multiple-family building or structure is owned by a claimant, then
5 that portion thereof which is occupied by the claimant as his legal
6 residence in this State, and includes any outhouses or appurtenances
7 belonging thereto or usually enjoyed therewith.

8 (cf: P.L.1977, c.293, s.1)]²

9
10 ¹[8. Section 2 of P.L.1971, c.398 (C.54:4-3.33a) is amended to
11 read as follows:

12 2. For the purposes of [this act] P.L.1971, c.398 and [the act
13 hereby amended and supplemented] P.L.1948, c.259 (C.54:4-3.30
14 et al.):

15 "active service in time of war" means the periods of time set
16 forth in section 1(a) of chapter 171 of the laws of 1963, and chapter
17 165 of the laws of 1965, except that "active service in time of war"
18 for World War II means active service at some time during
19 December 7, 1941 to December 31, 1946, and

20 "continuing care retirement community" means a residential
21 facility primarily for retired persons where lodging and nursing,
22 medical, or other health related services at the same or another
23 location are provided as continuing care to a resident of the facility
24 pursuant to an agreement effective for the life of the resident and in
25 consideration of the payment of an entrance fee with or without
26 other periodic charges, which agreement requires the individual to
27 bear a share of the property taxes that are assessed upon the
28 continuing care retirement community, if a share is attributable to
29 the unit that the resident occupies.

30 (cf: P.L.1971, c.398, s.2)]¹

31
32 ²[¹8. Section 2 of P.L.1971, c.398 (C.54:4-3.33a) is amended to
33 read as follows:

34 2. a. Except as provided in subsection b. of this section, for the
35 purposes of P.L.1948, c.259, as amended and supplemented by
36 P.L.1971, c.398, "active service in time of war" means the periods of
37 time set forth in subsection (a) of section 1 of P.L.1963, c.171 (C.54:4-
38 8.10), except that "active service in time of war" for World War II
39 means active service at some time during December 7, 1941 to
40 December 31, 1946.

41 b. For the purpose of eligibility for the property tax exemption
42 authorized in section 1 of P.L.1948, c.259 (C.54:4-3.30), "active
43 service in time of war" shall mean active service during a time period
44 specified in the definition of "active service in time of war" in section
45 1 of P.L.1963, c.171 (C.54:4-8.10), but shall not require a minimum
46 length of continuous or aggregate service in any foreign country, on
47 board any ship or naval vessel, or in any foreign airspace; and also

1 shall not require that the service-connected disability suffered by a
2 veteran shall have occurred during contiguous or aggregate service in
3 any foreign country, on board any ship or naval vessel, or in any
4 foreign airspace, and “continuing care retirement community” means a
5 residential facility primarily for retired persons where lodging and
6 nursing, medical, or other health related services at the same or
7 another location are provided as continuing care to a resident of the
8 facility pursuant to an agreement effective for the life of the resident
9 and in consideration of the payment of an entrance fee with or without
10 other periodic charges, which agreement requires the individual to bear
11 a share of the property taxes that are assessed upon the continuing care
12 retirement community, if a share is attributable to the unit that the
13 resident occupies.¹

14 (cf: P.L.2017, c.367, s.1)²

15

16 ²**[9.] 5.**² This act shall take effect immediately, but shall
17 remain inoperative until the approval by the voters of a
18 constitutional amendment authorizing veterans honorably
19 discharged or released under honorable circumstances from active
20 service in time of war who are residents of continuing care
21 retirement communities and their surviving spouses to receive the
22 veterans’ property tax deduction.

23

24

25

26

27 Extends eligibility for veterans’ property tax deduction to
28 residents of continuing care retirement communities.

SENATE, No. 1331

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED FEBRUARY 1, 2018

Sponsored by:
Senator VIN GOPAL
District 11 (Monmouth)

SYNOPSIS

Extends eligibility for veterans' property tax deduction and veterans' property tax exemption to residents of continuing care retirement communities.

CURRENT VERSION OF TEXT

As introduced.



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2

1 AN ACT concerning certain veterans' real property tax exemptions
2 and deductions and amending P.L.1971, C.398, P.L.1948, c.259
3 and P.L.1963, c.171.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. Section 1 of P.L.1963, c.171 (C.54:4-8.10) is amended to
9 read as follows:

10 1. (a) "Active service in time of war" means active service by
11 a person, while in the United States Armed Forces, at some time
12 during one of the following periods:

13 Operation "Iraqi Freedom", on or after the date the President of
14 the United States or the United States Secretary of Defense
15 designates as the inception date of that operation, who served in
16 Iraq or in another area in the region in direct support of that
17 operation for a period, continuously or in the aggregate, of at least
18 14 days in such active service commencing on or before the date the
19 President of the United States or the United States Secretary of
20 Defense designates as the termination date of that operation;
21 provided, that any person receiving an actual service-incurred injury
22 or disability while engaged in such service shall be classed as a
23 veteran whether or not that person has completed the 14 days'
24 service as herein provided;

25 The period of rescue and recovery of the victims of the terrorist
26 attack on the World Trade Center in New York, New York, on
27 September 11, 2001, who served on the pile of rubble that resulted
28 from the attacks on the World Trade Center in direct support of that
29 rescue and recovery effort for a period, continuously or in the
30 aggregate, of at least 14 days in such active service commencing on
31 September 11, 2001 and ending on May 30, 2002; provided, that
32 any person receiving an actual service-incurred injury or disability
33 while engaged in such service shall be classed as a veteran whether
34 or not that person has completed the 14 days' service as herein
35 provided;

36 Operation "Enduring Freedom", on or after September 11, 2001,
37 who served in a theater of operation and in direct support of that
38 operation for a period, continuously or in the aggregate, of at least
39 14 days in such active service commencing on or before the date the
40 President of the United States or the United States Secretary of
41 Defense designates as the termination date of that operation;
42 provided, that any person receiving an actual service-incurred injury
43 or disability while engaged in such service shall be classed as a
44 veteran whether or not that person has completed the 14 days'
45 service as herein provided;

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.

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1 Operation "Restore Hope" in Somalia, on or after December 5,
2 1992, or the date of inception of that operation as proclaimed by the
3 President of the United States or Congress, whichever date is
4 earliest, who has served in Somalia or on board any ship actively
5 engaged in patrolling the territorial waters of that nation for a
6 period, continuously or in the aggregate, of at least 14 days in such
7 active service commencing on or before March 31, 1994; provided
8 that any person receiving an actual service-incurred injury or
9 disability shall be classed as a veteran whether or not that person
10 has completed the 14-day service as herein provided;

11 Operations "Joint Endeavor" and "Joint Guard" in the Republic
12 of Bosnia and Herzegovina, on or after November 20, 1995, who
13 served in such active service in direct support of one or both of the
14 operations for at least 14 days, continuously or in the aggregate,
15 commencing on or before June 20, 1998, and (1) was deployed in
16 that nation or in another area in the region, or (2) was on board a
17 United States naval vessel operating in the Adriatic Sea, or (3)
18 operated in airspace above the Republic of Bosnia and
19 Herzegovina; provided that any person receiving an actual service-
20 incurred injury or disability shall be classed as a veteran whether or
21 not that person completed the 14-day service requirement;

22 Operation Northern Watch and Operation Southern Watch, on or
23 after August 27, 1992, or the date of inception of that operation, as
24 proclaimed by the President of the United States, Congress or
25 United States Secretary of Defense, whichever date of inception is
26 earliest, who served in the theater of operation, including in the
27 Arabian peninsula and the Persian Gulf, and in direct support of that
28 operation for a period, continuously or in the aggregate, of at least
29 14 days in such active service, commencing on or before the date of
30 termination as proclaimed by the President of the United States,
31 Congress or United States Secretary of Defense, whichever date of
32 termination is the latest; provided, that any person receiving an
33 actual service-incurred injury or disability while engaged in such
34 service shall be classed as a veteran whether or not that person has
35 completed the 14 days' service as herein provided;

36 Operation "Desert Shield/Desert Storm" mission in the Arabian
37 peninsula and the Persian Gulf, on or after August 2, 1990 or the
38 date of inception of that operation, as proclaimed by the President
39 of the United States or Congress, whichever date of inception is
40 earliest, who has served in the Arabian peninsula or on board any
41 ship actively engaged in patrolling the Persian Gulf for a period,
42 continuous or in the aggregate, of at least 14 days commencing on
43 or before the date of termination of that mission, as proclaimed by
44 the President of the United States or Congress, whichever date of
45 termination is the latest, in such active service; provided, that any
46 person receiving an actual service-incurred injury or disability shall
47 be classed as a veteran whether or not that person has completed the
48 14 days' service as herein provided;

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1 The Panama peacekeeping mission, on or after December 20,
2 1989 or the date of inception of that mission, as proclaimed by the
3 President of the United States or Congress, whichever date of
4 inception is earliest, who has served in Panama or on board any ship
5 actively engaged in patrolling the territorial waters of that nation for
6 a period, continuous or in the aggregate, of at least 14 days
7 commencing on or before January 31, 1990 or the date of
8 termination of that mission, as proclaimed by the President of the
9 United States or Congress, whichever date of termination is the
10 latest, in such active service; provided, that any person receiving an
11 actual service-incurred injury or disability shall be classed as a
12 veteran whether or not that person has completed the 14 days'
13 service as herein provided;

14 The Grenada peacekeeping mission, on or after October 23,
15 1983, who has served in Grenada or on board any ship actively
16 engaged in patrolling the territorial waters of that nation for a
17 period, continuous or in the aggregate, of at least 14 days
18 commencing on or before November 21, 1983 or the date of
19 termination of that mission as proclaimed by the President of the
20 United States or Congress, whichever date of termination is the
21 latest, in such active service; provided, that any person receiving an
22 actual service-incurred injury or disability shall be classed as a
23 veteran whether or not that person has completed the 14 days'
24 service as herein provided;

25 The Lebanon peacekeeping mission, on or after September 26,
26 1982, who has served in Lebanon or on board any ship actively
27 engaged in patrolling the territorial waters of that nation for a
28 period, continuous or in the aggregate, of at least 14 days
29 commencing on or before December 1, 1987 or the date of
30 termination of that mission, as proclaimed by the President of the
31 United States or Congress, whichever date of termination is the
32 latest, in such active service; provided, that any person receiving an
33 actual service-incurred injury or disability shall be classed as a
34 veteran whether or not that person has completed the 14 days'
35 service as herein provided;

36 The Vietnam conflict, December 31, 1960, to May 7, 1975;

37 The Lebanon crisis, on or after July 1, 1958, who has served in
38 Lebanon or on board any ship actively engaged in patrolling the
39 territorial waters of that nation for a period, continuous or in the
40 aggregate, of at least 14 days commencing on or before November
41 1, 1958 or the date of termination of that conflict, as proclaimed by
42 the President of the United States or Congress, whichever date of
43 termination is the latest, in such active service; provided, that any
44 person receiving an actual service-incurred injury or disability shall
45 be classed as a veteran whether or not that person has completed the
46 14 days' service as herein provided;

47 The Korean conflict, June 23, 1950 to January 31, 1955;

48 World War II, September 16, 1940 to December 31, 1946;

1 World War I, April 6, 1917 to November 11, 1918, and in the
2 case of service with the United States military forces in Russia,
3 April 6, 1917 to April 1, 1920;

4 Spanish-American War, April 21, 1898 to August 13, 1898;

5 Civil War, April 15, 1861 to May 26, 1865; or, as to any
6 subsequent war, during the period from the date of declaration of
7 war to the date on which actual hostilities shall cease.

8 (b) "Assessor" means the assessor, board of assessors or any
9 other official or body of a taxing district charged with the duty of
10 assessing real and personal property for the purpose of general
11 taxation.

12 (c) "Collector" means the collector or receiver of taxes of a
13 taxing district.

14 (d) "Honorably discharged or released under honorable
15 circumstances from active service in time of war," means and
16 includes every form of separation from active, full-time duty with
17 military or naval pay and allowances in some branch of the Armed
18 Forces of the United States in time of war, other than those marked
19 "dishonorable," "undesirable," "bad conduct," "by sentence of
20 general court martial," "by sentence of summary court martial" or
21 similar expression indicating that the discharge or release was not
22 under honorable circumstances. A disenrollment certificate or other
23 form of release terminating temporary service in a military or naval
24 branch of the armed forces rendered on a voluntary and part-time
25 basis without pay, or a release from or deferment of induction into
26 the active military or naval service shall not be deemed to be
27 included in the aforementioned phrase.

28 (e) "Pre-tax year" means the particular calendar year
29 immediately preceding the "tax year."

30 (f) "Resident" means one legally domiciled within the State of
31 New Jersey. Mere seasonal or temporary residence within the State,
32 of whatever duration, shall not constitute domicile within the State
33 for the purposes of this act. Absence from this State for a period of
34 12 months shall be prima facie evidence of abandonment of
35 domicile in this State. The burden of establishing legal domicile
36 within the State shall be upon the claimant.

37 (g) "Tax year" means the particular calendar year in which the
38 general property tax is due and payable.

39 (h) "Veteran" means any citizen and resident of this State
40 honorably discharged or released under honorable circumstances
41 from active service in time of war in any branch of the Armed
42 Forces of the United States.

43 (i) "Veteran's deduction" means the deduction against the taxes
44 payable by any person, allowable pursuant to this act.

45 (j) "Surviving spouse" means the surviving wife or husband of
46 any of the following, while he or she is a resident of this State,
47 during widowhood or widowerhood:

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1 1. A citizen and resident of this State who has died or shall die
2 while on active duty in time of war in any branch of the Armed
3 Forces of the United States; or

4 2. A citizen and resident of this State who has had or shall
5 hereafter have active service in time of war in any branch of the
6 Armed Forces of the United States and who died or shall die while
7 on active duty in a branch of the Armed Forces of the United States;
8 or

9 3. A citizen and resident of this State who has been or may
10 hereafter be honorably discharged or released under honorable
11 circumstances from active service in time of war in any branch of
12 the Armed Forces of the United States.

13 (k) "Cooperative" means a housing corporation or association
14 incorporated or organized under the laws of New Jersey which
15 entitles a shareholder thereof to possess and occupy for dwelling
16 purposes a house, apartment or other structure owned or leased by
17 the corporation or association.

18 (l) "Mutual housing corporation" means a corporation not-for-
19 profit incorporated under the laws of New Jersey on a mutual or
20 cooperative basis within the scope of section 607 of the "National
21 Defense Housing Act," Pub.L.76-849 (42 U.S.C.s.1521 et seq.),
22 which acquired a National Defense Housing Project pursuant to that
23 act.

24 (m) "Continuing care retirement community" means a residential
25 facility primarily for retired persons where lodging and nursing,
26 medical or other health related services at the same or another
27 location are provided as continuing care to a resident of the facility
28 pursuant to an agreement effective for the life of the resident and in
29 consideration of the payment of an entrance fee with or without
30 other periodic charges, which agreement requires the individual to
31 bear a share of the property taxes that are assessed upon the
32 continuing care retirement community, if a share is attributable to
33 the unit that the resident occupies.

34 (cf: P.L.2017, c.134, s.1)

35
36 2. Section 2 of P.L.1963, c.171 (C:54:4-8.11) is amended to
37 read as follows:

38 2. Every person a citizen and resident of this State now or
39 hereafter honorably discharged or released under honorable
40 circumstances from active service in time of war in any branch of
41 the Armed Forces of the United States and a surviving spouse as
42 defined herein, during her widowhood or his widowerhood, and
43 while a resident of this State, shall be entitled, annually, on proper
44 claim being made therefor, to a deduction from the amount of any
45 tax bill for taxes on real or personal property or both in the sum of
46 \$100 in tax year 2000, \$150 in tax year 2001, \$200 in tax year
47 2002, and \$250 in each subsequent tax year, or if the amount of any
48 such tax shall be less than \$100 in tax year 2000, \$150 in tax year

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1 2001, \$200 in tax year 2002, and \$250 in each subsequent tax year,
2 to a cancellation thereof. A person otherwise eligible for the
3 veterans' deduction who is a resident of a continuing care
4 retirement community shall be entitled to claim the deduction to the
5 extent of the share of the taxes assessed against the real property of
6 the continuing care retirement community that is attributable to the
7 unit that the resident occupies.

8 (cf: P.L.2000, c.9, s.1)

9

10 3. Section 6 of P.L.1963, c.171 (C.54:4-8.15) is amended to
11 read as follows:

12 6. Every fact essential to support a claim for a veteran's
13 deduction hereunder shall exist on October 1 of the pretax year and
14 in the case of an application by a veteran such application shall
15 establish that the claimant was, on October 1 of the pretax year, (a)
16 a veteran, as herein defined, (b) the owner of the legal title to the
17 property as to which the veteran's deduction is claimed and (c) a
18 citizen and resident of this State and, in the case of an application
19 by a surviving spouse, as herein defined, such application shall
20 establish that the surviving spouse was, on October 1 of the pretax
21 year, (a) the owner of the legal title to the property as to which the
22 veteran's deduction is claimed, (b) that he or she has not remarried
23 and (c) that he or she is a resident of this State. For purposes of
24 establishing a claim, a tenant shareholder in a cooperative or a
25 mutual housing corporation shall be deemed the owner of legal title
26 to his proportionate share of the taxable value of the real property
27 of the corporation or any other entity holding title. For the purpose
28 of establishing a claim, a resident of a continuing care retirement
29 community shall be deemed the owner of legal title to the share of
30 the taxable value of the real property of the continuing care
31 retirement community that is attributable to the unit that the
32 resident occupies.

33 (cf: P.L.1989, c.252, s.6)

34

35 4. Section 9 of P.L.1963, c.171 (C.54:4-8.18) is amended to
36 read as follows:

37 9. Where title to property as to which a veteran's deduction is
38 claimed is held by claimant and another or others, either as tenants
39 in common or as joint tenants, a claimant shall not be allowed a
40 veteran's deduction in an amount in excess of his or her
41 proportionate share of the taxes assessed against said property,
42 which proportionate share, for the purposes of this act, shall be
43 deemed to be equal to that of each of the other tenants, unless the
44 conveyance under which title is held specifically provides unequal
45 interests, in which event claimant's interest shall be as specifically
46 established in said conveyance. Property held by husband and wife,
47 as tenants by the entirety, shall be deemed to be wholly owned by
48 each tenant. Nothing herein shall preclude more than one tenant,

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1 whether title be held in common, joint tenancy or by the entirety,
2 from claiming a veteran's deduction from the tax assessed against
3 the property so held. Right to claim a veteran's deduction
4 hereunder shall extend to property title to which is held by a
5 partnership, to the extent of the claimant's interest as a partner
6 therein, and by a guardian, trustee, committee, conservator or other
7 fiduciary for any person who would otherwise be entitled to claim a
8 veteran's deduction hereunder, but not to property the title to which
9 is held by a corporation, except that a tenant shareholder in a
10 cooperative or mutual housing corporation shall be entitled to claim
11 a veteran's deduction to the extent of his proportionate share of the
12 taxes assessed against the real property of the corporation or any
13 other entity holding title, and except that a resident of a continuing
14 care retirement community shall be entitled to claim a veterans'
15 deduction to the extent of the share of the taxes assessed against the
16 real property of the continuing care retirement community that is
17 attributable to the unit that the resident occupies.

18 (cf: P.L.1989, c.252, s.7)

19

20 5. Section 1 of P.L.1948, c.259 (C.54:4-3.30) is amended to
21 read as follows:

22 1. a. The dwelling house and the lot or curtilage whereon the
23 same is erected, of any citizen and resident of this State, now or
24 hereafter honorably discharged or released under honorable
25 circumstances, from active service, in time of war, in any branch of
26 the Armed Forces of the United States, who has been or shall be
27 declared by the United States Veterans Administration or its
28 successor to have a service-connected disability from paraplegia,
29 sarcoidosis, osteochondritis resulting in permanent loss of the use of
30 both legs, or permanent paralysis of both legs and lower parts of the
31 body, or from hemiplegia and has permanent paralysis of one leg
32 and one arm or either side of the body, resulting from injury to the
33 spinal cord, skeletal structure, or brain or from disease of the spinal
34 cord not resulting from any form of syphilis; or from total
35 blindness; or from amputation of both arms or both legs, or both
36 hands or both feet, or the combination of a hand and a foot; or from
37 other service-connected disability declared by the United States
38 Veterans Administration or its successor to be a total or 100%
39 permanent disability, and not so evaluated solely because of
40 hospitalization or surgery and recuperation, sustained through
41 enemy action, or accident, or resulting from disease contracted
42 while in such active service, shall be exempt from taxation, on
43 proper claim made therefor, and such exemption shall be in addition
44 to any other exemption of such person's real and personal property
45 which now is or hereafter shall be prescribed or allowed by the
46 Constitution or by law but no taxpayer shall be allowed more than
47 one exemption under this act.

1 A person otherwise eligible for the exemption who is a resident
2 of a continuing care retirement community shall be entitled to claim
3 the exemption to the extent of the share of the taxes assessed
4 against the real property of the continuing care retirement
5 community that is attributable to the unit that the resident occupies.

6 b. (1) The surviving spouse of any such citizen and resident of
7 this State, who at the time of death was entitled to the exemption
8 provided under this act, shall be entitled, on proper claim made
9 therefor, to the same exemption as the deceased had, during the
10 surviving spouse's widowhood or widowerhood, as the case may be,
11 and while a resident of this State, for the time that the surviving
12 spouse is the legal owner thereof and actually occupies the said
13 dwelling house or any other dwelling house thereafter acquired. A
14 surviving spouse otherwise entitled to the exemption who is a
15 resident of a continuing care retirement community shall be entitled
16 to claim the exemption to the extent of the share of the taxes
17 assessed against the real property of the continuing care retirement
18 community that is attributable to the unit that the surviving spouse
19 occupies.

20 (2) The surviving spouse of any citizen and resident of this State
21 who was honorably discharged and, after the citizen and resident's
22 death, is declared to have suffered a service-connected disability as
23 provided in subsection a. of this section, shall be entitled, on proper
24 claim made therefor, to the same exemption the deceased would
25 have become eligible for. The exemption shall continue during the
26 surviving spouse's widowhood or widowerhood, as the case may be,
27 and while a resident of this State, for the time that the surviving
28 spouse is the legal owner thereof and actually occupies the dwelling
29 house or any other dwelling house thereafter acquired. A surviving
30 spouse otherwise entitled to the exemption who is a resident of a
31 continuing care retirement community shall be entitled to claim the
32 exemption to the extent of the share of the taxes assessed against
33 the real property of the continuing care retirement community that
34 is attributable to the unit that the surviving spouse occupies.

35 c. The surviving spouse of any citizen and resident of this
36 State, who died in active service in time of war in any branch of the
37 Armed Forces of the United States, shall be entitled, on proper
38 claim made therefor, to an exemption from taxation on the dwelling
39 house and lot or curtilage whereon the same is erected, during the
40 surviving spouse's widowhood or widowerhood, as the case may be,
41 and while a resident of this State, for the time that the surviving
42 spouse is the legal owner thereof and actually occupies the said
43 dwelling or any other dwelling house thereafter acquired. A
44 surviving spouse otherwise entitled to the exemption who is a
45 resident of a continuing care retirement community shall be entitled
46 to claim the exemption to the extent of the share of the taxes
47 assessed against the real property of the continuing care retirement

1 community that is attributable to the unit that the surviving spouse
2 occupies.

3 d. The surviving spouse of any citizen and resident of this State
4 who died prior to January 10, 1972, that being the effective date of
5 P.L.1971, c.398, and whose circumstances were such that, had said
6 law become effective during the deceased's lifetime, the deceased
7 would have become eligible for the exemption granted under this
8 section as amended by said law, shall be entitled, on proper claim
9 made therefor, to the same exemption as the deceased would have
10 become eligible for upon the dwelling house and lot or curtilage
11 occupied by the deceased at the time of death, during the surviving
12 spouse's widowhood or widowerhood, as the case may be, and
13 while a resident of this State, for the time that the surviving spouse
14 is the legal owner thereof and actually occupies the said dwelling
15 house on the premises to be exempted. A surviving spouse
16 otherwise entitled to the exemption who is a resident of a
17 continuing care retirement community shall be entitled to claim the
18 exemption to the extent of the share of the taxes assessed against
19 the real property of the continuing care retirement community that
20 is attributable to the unit that the surviving spouse occupies.

21 e. Nothing in this act shall be intended to include paraplegia or
22 hemiplegia resulting from locomotor ataxia or other forms of
23 syphilis of the central nervous system, or from chronic alcoholism,
24 or to include other forms of disease resulting from the veteran's own
25 misconduct which may produce signs and symptoms similar to
26 those resulting from paraplegia, osteochondritis, or hemiplegia.
27 (cf: P.L.2007, c.317, s.1)

28

29 6. Section 2 of P.L.1948, c.259 (C.54:4-3.31) is amended to
30 read as follows:

31 2. All exemptions from taxation under P.L.1948, c.259
32 (C.54:4-3.30 et seq.) shall be allowed by the assessor upon the
33 filing with him of a claim in writing under oath, made by or on
34 behalf of the person claiming the same, showing the right to the
35 exemption, briefly describing the property for which exemption is
36 claimed and having annexed thereto a certificate of the claimant's
37 honorable discharge or release under honorable circumstances, from
38 active service, in time of war, in any branch of the armed forces and
39 a certificate from the United States Veterans Administration or its
40 successor, certifying to a service-connected disability of such
41 claimant of the character described in section 1 of P.L.1948, c.259
42 (C.54:4-3.30). In the case of a claim by a surviving spouse of such
43 veteran, the claimant shall establish in writing under oath that the
44 claimant is the owner of the legal title to the premises on which
45 exemption is claimed; that the claimant occupies the dwelling house
46 on said premises as the claimant's legal residence in this State; that
47 the veteran shall have been declared, either during the veteran's
48 lifetime or after the veteran's death, by the United States Veterans

1 Administration to have or to have had a service-connected disability
2 of a character described in this act, or, in the case of a claim for an
3 exemption under subsection c. of section 1 of P.L.1948, c.259
4 (C.54:4-3.30), that the veteran shall have been declared to have died
5 in active service in time of war; that the veteran was entitled to an
6 exemption provided for in this act, except for an exemption under
7 paragraph (2) of subsection b. and subsection c. of section 1 hereof,
8 at the time of death; and that the claimant is a resident of this State
9 and has not remarried. Such exemptions shall be allowed and
10 prorated by the assessor for the remainder of any taxable year from
11 the date the claimant shall have acquired title to the real property
12 intended to be exempt by this act. Where a portion of a multiple-
13 family building or structure occupied by the claimant is the subject
14 of such exemption, the assessor shall aggregate the assessment on
15 the lot or curtilage and building or structure and allow an exemption
16 of that percentage of the aggregate assessment as the value of the
17 portion of the building or structure occupied by the claimant bears
18 to the value of the entire building or structure.

19 For the purpose of establishing a claim, a resident of a
20 continuing care retirement community shall be deemed the owner of
21 legal title to the share of the taxable value of the real property of the
22 continuing care retirement community that is attributable to the unit
23 that the resident occupies.

24 (cf: P.L.2007, c.317, s.2)

25

26 7. Section 4 of P.L.1948, c.259 (C.54:4-3.33) is amended to
27 read as follows:

28 4. Dwelling house," as used in **【this act】** P.L.1948, c.259
29 (C.54:4-3.30 et al.), shall mean any one-family building or structure
30 or any unit of a horizontal property regime established pursuant to
31 the "Horizontal Property Act," P.L.1963, c. 168 (C. 46:8A-1 et
32 seq.) or any unit of a condominium property established pursuant to
33 the "Condominium Act," P.L.1969, c. 257 (C. 46:8B-1 et seq.)
34 owned and occupied by a claimant as his legal residence in this
35 State, or a unit in a continuing care retirement community occupied
36 by a claimant as his legal residence in this State, or where a
37 multiple-family building or structure is owned by a claimant, then
38 that portion thereof which is occupied by the claimant as his legal
39 residence in this State, and includes any outhouses or appurtenances
40 belonging thereto or usually enjoyed therewith.

41 (cf: P.L.1977, c.293, s.1)

42

43 8. Section 2 of P.L.1971, c.398 (C.54:4-3.33a) is amended to
44 read as follows:

45 2. For the purposes of **【this act】** P.L.1971, c.398 and **【the act**
46 **hereby amended and supplemented】** P.L.1948, c.259 (C.54:4-3.30
47 et al.):

1 "active service in time of war" means the periods of time set
2 forth in section 1(a) of chapter 171 of the laws of 1963, and chapter
3 165 of the laws of 1965, except that "active service in time of war"
4 for World War II means active service at some time during
5 December 7, 1941 to December 31, 1946, and

6 "continuing care retirement community" means a residential
7 facility primarily for retired persons where lodging and nursing,
8 medical, or other health related services at the same or another
9 location are provided as continuing care to a resident of the facility
10 pursuant to an agreement effective for the life of the resident and in
11 consideration of the payment of an entrance fee with or without
12 other periodic charges, which agreement requires the individual to
13 bear a share of the property taxes that are assessed upon the
14 continuing care retirement community, if a share is attributable to
15 the unit that the resident occupies.

16 (cf: P.L.1971, c.398, s.2)

17
18 9. This act shall take effect immediately, but shall remain
19 inoperative until the approval by the voters of a constitutional
20 amendment authorizing veterans honorably discharged or released
21 under honorable circumstances from active service in time of war
22 who are residents of continuing care retirement communities and
23 their surviving spouses to receive the veterans' property tax
24 deduction.

25
26
27 STATEMENT

28
29 This bill would extend the \$250 property tax deduction, and the
30 total property tax exemption, now granted to honorably discharged
31 veterans and their surviving spouses on the homes that they own, to
32 residential units in continuing care retirement communities.
33 Veterans, and their surviving spouses, who reside in continuing care
34 retirement communities do not qualify for the \$250 property tax
35 deduction or the total property tax exemption because these
36 veterans do not own the units in which they reside.

37 The bill will not become operative until the approval by the
38 voters of a constitutional amendment authorizing veterans
39 honorably discharged or released under honorable circumstances
40 from active service in time of war who are residents of continuing
41 care retirement communities and their surviving spouses to receive
42 the veterans' property tax deduction and the veterans' total property
43 tax exemption.

SENATE MILITARY AND VETERANS' AFFAIRS
COMMITTEE

STATEMENT TO
SENATE, No. 1331

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 31, 2018

The Senate Military and Veterans Affairs Committee reports favorably and with committee amendments Senate Bill No. 1331.

As amended, this bill would extend the \$250 property tax deduction, and the total property tax exemption, now granted to honorably discharged veterans and their surviving spouses on the homes that they own, to residential units in continuing care retirement communities. Veterans, and their surviving spouses, who reside in continuing care retirement communities do not qualify for the \$250 property tax deduction or the total property tax exemption because these veterans do not own the units in which they reside.

The bill will not become operative until the approval by the voters of a constitutional amendment authorizing veterans honorably discharged or released under honorable circumstances from active service in time of war who are residents of continuing care retirement communities and their surviving spouses to receive the veterans' property tax deduction and the veterans' total property tax exemption.

COMMITTEE AMENDMENTS

There committee amended the bill to update a section to current law.

STATEMENT TO
[First Reprint]
SENATE, No. 1331

with Senate Floor Amendments
(Proposed by Senator GOPAL)

ADOPTED: JUNE 25, 2018

These floor amendments remove the sections of the bill that would authorize veterans having a service-connected permanent and total disability, who reside in a continuing care retirement community, to receive a veterans' property tax exemption.

These amendments also require the continuing care retirement community to provide the amount of that property tax deduction as a payment or credit to the resident. That payment or credit would be required to be made to the resident no later than 30 days after the continuing care retirement community receives the property tax bill on which the credit appears.

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

SENATE, No. 1331 STATE OF NEW JERSEY 218th LEGISLATURE

DATED: JUNE 4, 2019

SUMMARY

- Synopsis:** Extends eligibility for veterans' property tax deduction to residents of continuing care retirement communities.
- Type of Impact:** Increase in State expenditures from the Property Tax Relief Fund.
- Agencies Affected:** Department of the Treasury.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	\$350,000 - \$550,000	\$350,000 - \$550,000	\$350,000 - \$550,000

- The Office of Legislative Services (OLS) estimates that the enactment of this amended bill would result in an annual increase in State expenditures ranging from approximately \$350,000 to \$550,000, payable from the Property Tax Relief Fund.
- This amended bill would extend the eligibility for the veterans' property tax deduction to include continuing care retirement communities in which beneficiaries reside.
- Under current law, a person who was honorably discharged after serving in any branch of the Armed Forces of the United States during a time of war or other emergency, and the surviving spouse of any such veteran, is entitled to receive an annual \$250 property tax deduction. The State is required to reimburse each municipality in an amount equal to 102 percent of the total deductions provided to its residents. The State reimbursement for the maximum property tax deduction of \$250 would, therefore, equal \$255.
- The increase in State expenditures resulting from this amended bill would be approximately equal to: (1) the number of beneficiaries residing in continuing care retirement communities made newly eligible through the provisions of this amended bill (hereinafter "newly eligible beneficiaries"); multiplied by (2) the amount of the State reimbursement, which would not exceed \$255, provided for each property tax deduction.

- Using information acquired from the Department of Community Affairs and U.S. Census Bureau, and assuming that every newly eligible veteran receives a \$250 deduction, the OLS estimates that the amended bill could result in an annual increase in State expenditures of approximately \$424,000.
- However, due to information constraints, the OLS is unable to determine: (1) the number of newly eligible beneficiaries who would receive a deduction of less than \$250, and (2) the number of surviving spouses of eligible veterans residing in continuing care retirement communities who would receive the deduction. Accounting for these factors, the OLS estimates that the annual increase in State expenditures resulting from this amended bill could range from approximately \$350,000 to \$550,000.

BILL DESCRIPTION

This amended bill extends the eligibility for the veterans' property tax deduction to include continuing care retirement communities in which an eligible veteran resides. Currently, a person who was honorably discharged after serving in any branch of the Armed Forces of the United States during a time of war or other emergency, and the surviving spouse of any such veteran, is entitled to receive an annual \$250 property tax deduction.

Under the amended bill, a person who otherwise qualifies for the deduction, but resides in a continuing care retirement community, would be entitled to receive the veterans' property tax deduction. Specifically, the deduction would be provided to the continuing care retirement community, which would credit or pay the amount of the deduction to each beneficiary residing in the facility within 30 days of receiving the property tax bill in which the deduction appears. In addition, the surviving spouse of an eligible veteran would be entitled to receive the veterans' property tax deduction if he or she resides in a continuing care retirement community.

The property tax deduction received by each continuing care retirement community would be equal to: (1) the number of beneficiaries residing in the facility, multiplied by (2) the amount of the deduction provided for each beneficiary, which may not exceed \$250. The amount of the deduction provided for each beneficiary residing in the facility would be based on the share of the taxes assessed against the real property of the continuing care retirement community that is attributable to the unit in which the person resides.

Under the amended bill, a continuing care retirement community is defined as a residential facility primarily for retired persons where lodging and nursing, medical or other health related services at the same or another location are provided as continuing care to a resident of the facility pursuant to an agreement effective for the life of the resident and in consideration of the payment of an entrance fee with or without other periodic charges, which agreement requires the individual to bear a share of the property taxes that are assessed upon the continuing care retirement community, if a share is attributable to the unit the resident occupies.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the enactment of this amended bill would result in an annual increase in State expenditures ranging from approximately \$350,000 to \$550,000, payable from the Property Tax Relief Fund. This amended bill is expected to increase State expenditures by increasing the number of persons who would receive the veterans' property tax deduction. Specifically, this cost increase would be attributable to the amount of veterans' property tax deductions provided to continuing care retirement communities on behalf of the beneficiaries residing in the those facilities made newly eligible through the provision of this amended bill (hereinafter "newly eligible beneficiaries").

Under current law, a person who was honorably discharged after serving in any branch of the Armed Forces of the United States during a time of war or other emergency, and the surviving spouse of any such veteran, is entitled to receive an annual \$250 property tax deduction. A municipality applies the property tax deduction to each beneficiary's tax bill, and the State is required to reimburse the municipality in an amount equal to 102 percent of the total amount of the deductions provided in that municipality. The State reimbursement for the maximum property tax deduction of \$250 would, therefore, equal \$255.

The amended bill provides that a continuing care retirement community is entitled to receive a veterans' property tax deduction on behalf of each of its residents who qualify for the deduction. However, if Senate Concurrent Resolution No. 110 (1R)/Assembly Concurrent Resolution No. 134 (1R), pending before the Legislature, is approved, the State Constitution would provide that only those persons who received the veterans' property tax deduction immediately before residing in the continuing care retirement community would be entitled to receive the deduction.

The increased State expenditures associated with this amended bill would be approximately equal to: (1) the number of newly eligible beneficiaries residing in continuing care retirement communities; multiplied by (2) the State reimbursement, which may not exceed \$255, for each property tax deduction. Although the State does not record the number of veterans that reside in continuing care retirement communities, the OLS estimates this total by multiplying the total occupants of all continuing care retirement communities in the State by the percentage of persons over the age of 65 years who are veterans.

According to information provided by the Department of Community Affairs, the total occupancy of all continuing care retirement communities located in New Jersey is currently 9,835 persons. In addition, the American Community Survey (Five-Year Estimate, 2012-2016) published by the U.S. Census Bureau, indicates that a total of 1,312,291 people over the age of 65 years currently reside in the State, with 212,818 of those residents being veterans. As a result, approximately 16.9 percent of State residents over the age of 65 years are veterans.

Assuming that 16.9 percent of the 9,835 people who reside in continuing care retirement communities are veterans, the OLS estimates that approximately 1,662 veterans currently reside in these facilities. Also assuming that each of these veterans: (1) received the property tax deduction immediately prior to residing in the continuing care retirement community; (2) served in the Armed Forces of the United States during a time of war or other emergency; and (3) will be credited or paid the full \$250 property tax deduction; the estimated increase in State expenditures associated with this amended bill would be approximately \$424,000 per year. This estimate is calculated by multiplying the estimated number of newly eligible beneficiaries (i.e., 1,662 veterans) by the maximum State reimbursement of \$255 for each deduction.

However, the OLS notes that the amount of the deduction received by each newly eligible beneficiary would be based on the share of the taxes assessed against the real property of the continuing care retirement community that is attributable to the unit in which the person resides.

As a result, if the share of the total property taxes attributable to a beneficiary's housing unit does not exceed \$250, the amount of the deduction provided for that person will be less than \$250. In addition, the amended bill also entitles the surviving spouse of eligible veterans to receive the veterans' property tax deduction if he or she resides in a continuing care retirement community. Due to information constraints, the OLS is unable to determine the extent to which these factors would reduce the amount of each property tax deduction and increase the number of newly eligible beneficiaries.

In order to account for these factors, the OLS therefore estimates that the enactment of this amended bill could result in an annual increase in State expenditures ranging from approximately \$350,000 to \$550,000, payable from the Property Tax Relief Fund. However, this estimate should be viewed as a broad approximation, not a precise determination, of the anticipated cost.

The OLS notes that if a person who currently receives the veterans' property tax deduction moves to a continuing care retirement community, the State would not incur an increase in expenditures associated with that property tax deduction in a subsequent fiscal year. The OLS also notes that the provisions of this bill will not become operative until the approval of an amendment to the State Constitution to extend the eligibility for the veterans' property tax deduction to include continuing care retirement communities.

Section: Local Government

*Analyst: Joseph A. Pezzulo
Associate Research 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, No. 3163

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED FEBRUARY 8, 2018

Sponsored by:

Assemblyman ERIC HOUGHTALING

District 11 (Monmouth)

Assemblywoman JOANN DOWNEY

District 11 (Monmouth)

Co-Sponsored by:

Assemblyman Johnson

SYNOPSIS

Extends eligibility for veterans' property tax deduction and veterans' property tax exemption to residents of continuing care retirement communities.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/8/2018)

1 AN ACT concerning certain veterans' real property tax exemptions
2 and deductions and amending P.L.1971, C.398, P.L.1948, c.259
3 and P.L.1963, c.171.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. Section 1 of P.L.1963, c.171 (C.54:4-8.10) is amended to
9 read as follows:

10 1. (a) "Active service in time of war" means active service by a
11 person, while in the United States Armed Forces, at some time
12 during one of the following periods:

13 Operation "Iraqi Freedom", on or after the date the President of
14 the United States or the United States Secretary of Defense
15 designates as the inception date of that operation, who served in
16 Iraq or in another area in the region in direct support of that
17 operation for a period, continuously or in the aggregate, of at least
18 14 days in such active service commencing on or before the date the
19 President of the United States or the United States Secretary of
20 Defense designates as the termination date of that operation;
21 provided, that any person receiving an actual service-incurred injury
22 or disability while engaged in such service shall be classed as a
23 veteran whether or not that person has completed the 14 days'
24 service as herein provided;

25 The period of rescue and recovery of the victims of the terrorist
26 attack on the World Trade Center in New York, New York, on
27 September 11, 2001, who served on the pile of rubble that resulted
28 from the attacks on the World Trade Center in direct support of that
29 rescue and recovery effort for a period, continuously or in the
30 aggregate, of at least 14 days in such active service commencing on
31 September 11, 2001 and ending on May 30, 2002; provided, that
32 any person receiving an actual service-incurred injury or disability
33 while engaged in such service shall be classed as a veteran whether
34 or not that person has completed the 14 days' service as herein
35 provided;

36 Operation "Enduring Freedom", on or after September 11, 2001,
37 who served in a theater of operation and in direct support of that
38 operation for a period, continuously or in the aggregate, of at least
39 14 days in such active service commencing on or before the date the
40 President of the United States or the United States Secretary of
41 Defense designates as the termination date of that operation;
42 provided, that any person receiving an actual service-incurred injury
43 or disability while engaged in such service shall be classed as a
44 veteran whether or not that person has completed the 14 days'
45 service as herein provided;

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 Operation "Restore Hope" in Somalia, on or after December 5,
2 1992, or the date of inception of that operation as proclaimed by the
3 President of the United States or Congress, whichever date is
4 earliest, who has served in Somalia or on board any ship actively
5 engaged in patrolling the territorial waters of that nation for a
6 period, continuously or in the aggregate, of at least 14 days in such
7 active service commencing on or before March 31, 1994; provided
8 that any person receiving an actual service-incurred injury or
9 disability shall be classed as a veteran whether or not that person
10 has completed the 14-day service as herein provided;

11 Operations "Joint Endeavor" and "Joint Guard" in the Republic
12 of Bosnia and Herzegovina, on or after November 20, 1995, who
13 served in such active service in direct support of one or both of the
14 operations for at least 14 days, continuously or in the aggregate,
15 commencing on or before June 20, 1998, and (1) was deployed in
16 that nation or in another area in the region, or (2) was on board a
17 United States naval vessel operating in the Adriatic Sea, or (3)
18 operated in airspace above the Republic of Bosnia and
19 Herzegovina; provided that any person receiving an actual service-
20 incurred injury or disability shall be classed as a veteran whether or
21 not that person completed the 14-day service requirement;

22 Operation Northern Watch and Operation Southern Watch, on or
23 after August 27, 1992, or the date of inception of that operation, as
24 proclaimed by the President of the United States, Congress or
25 United States Secretary of Defense, whichever date of inception is
26 earliest, who served in the theater of operation, including in the
27 Arabian peninsula and the Persian Gulf, and in direct support of that
28 operation for a period, continuously or in the aggregate, of at least
29 14 days in such active service, commencing on or before the date of
30 termination as proclaimed by the President of the United States,
31 Congress or United States Secretary of Defense, whichever date of
32 termination is the latest; provided, that any person receiving an
33 actual service-incurred injury or disability while engaged in such
34 service shall be classed as a veteran whether or not that person has
35 completed the 14 days' service as herein provided;

36 Operation "Desert Shield/Desert Storm" mission in the Arabian
37 peninsula and the Persian Gulf, on or after August 2, 1990 or the
38 date of inception of that operation, as proclaimed by the President
39 of the United States or Congress, whichever date of inception is
40 earliest, who has served in the Arabian peninsula or on board any
41 ship actively engaged in patrolling the Persian Gulf for a period,
42 continuous or in the aggregate, of at least 14 days commencing on
43 or before the date of termination of that mission, as proclaimed by
44 the President of the United States or Congress, whichever date of
45 termination is the latest, in such active service; provided, that any
46 person receiving an actual service-incurred injury or disability shall
47 be classed as a veteran whether or not that person has completed the
48 14 days' service as herein provided;

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1 The Panama peacekeeping mission, on or after December 20,
2 1989 or the date of inception of that mission, as proclaimed by the
3 President of the United States or Congress, whichever date of
4 inception is earliest, who has served in Panama or on board any ship
5 actively engaged in patrolling the territorial waters of that nation for
6 a period, continuous or in the aggregate, of at least 14 days
7 commencing on or before January 31, 1990 or the date of
8 termination of that mission, as proclaimed by the President of the
9 United States or Congress, whichever date of termination is the
10 latest, in such active service; provided, that any person receiving an
11 actual service-incurred injury or disability shall be classed as a
12 veteran whether or not that person has completed the 14 days'
13 service as herein provided;

14 The Grenada peacekeeping mission, on or after October 23,
15 1983, who has served in Grenada or on board any ship actively
16 engaged in patrolling the territorial waters of that nation for a
17 period, continuous or in the aggregate, of at least 14 days
18 commencing on or before November 21, 1983 or the date of
19 termination of that mission as proclaimed by the President of the
20 United States or Congress, whichever date of termination is the
21 latest, in such active service; provided, that any person receiving an
22 actual service-incurred injury or disability shall be classed as a
23 veteran whether or not that person has completed the 14 days'
24 service as herein provided;

25 The Lebanon peacekeeping mission, on or after September 26,
26 1982, who has served in Lebanon or on board any ship actively
27 engaged in patrolling the territorial waters of that nation for a
28 period, continuous or in the aggregate, of at least 14 days
29 commencing on or before December 1, 1987 or the date of
30 termination of that mission, as proclaimed by the President of the
31 United States or Congress, whichever date of termination is the
32 latest, in such active service; provided, that any person receiving an
33 actual service-incurred injury or disability shall be classed as a
34 veteran whether or not that person has completed the 14 days'
35 service as herein provided;

36 The Vietnam conflict, December 31, 1960, to May 7, 1975;

37 The Lebanon crisis, on or after July 1, 1958, who has served in
38 Lebanon or on board any ship actively engaged in patrolling the
39 territorial waters of that nation for a period, continuous or in the
40 aggregate, of at least 14 days commencing on or before November
41 1, 1958 or the date of termination of that conflict, as proclaimed by
42 the President of the United States or Congress, whichever date of
43 termination is the latest, in such active service; provided, that any
44 person receiving an actual service-incurred injury or disability shall
45 be classed as a veteran whether or not that person has completed the
46 14 days' service as herein provided;

47 The Korean conflict, June 23, 1950 to January 31, 1955;

48 World War II, September 16, 1940 to December 31, 1946;

1 World War I, April 6, 1917 to November 11, 1918, and in the
2 case of service with the United States military forces in Russia,
3 April 6, 1917 to April 1, 1920;

4 Spanish-American War, April 21, 1898 to August 13, 1898;

5 Civil War, April 15, 1861 to May 26, 1865; or, as to any
6 subsequent war, during the period from the date of declaration of
7 war to the date on which actual hostilities shall cease.

8 (b) "Assessor" means the assessor, board of assessors or any
9 other official or body of a taxing district charged with the duty of
10 assessing real and personal property for the purpose of general
11 taxation.

12 (c) "Collector" means the collector or receiver of taxes of a
13 taxing district.

14 (d) "Honorably discharged or released under honorable
15 circumstances from active service in time of war," means and
16 includes every form of separation from active, full-time duty with
17 military or naval pay and allowances in some branch of the Armed
18 Forces of the United States in time of war, other than those marked
19 "dishonorable," "undesirable," "bad conduct," "by sentence of
20 general court martial," "by sentence of summary court martial" or
21 similar expression indicating that the discharge or release was not
22 under honorable circumstances. A disenrollment certificate or other
23 form of release terminating temporary service in a military or naval
24 branch of the armed forces rendered on a voluntary and part-time
25 basis without pay, or a release from or deferment of induction into
26 the active military or naval service shall not be deemed to be
27 included in the aforementioned phrase.

28 (e) "Pre-tax year" means the particular calendar year
29 immediately preceding the "tax year."

30 (f) "Resident" means one legally domiciled within the State of
31 New Jersey. Mere seasonal or temporary residence within the State,
32 of whatever duration, shall not constitute domicile within the State
33 for the purposes of this act. Absence from this State for a period of
34 12 months shall be prima facie evidence of abandonment of
35 domicile in this State. The burden of establishing legal domicile
36 within the State shall be upon the claimant.

37 (g) "Tax year" means the particular calendar year in which the
38 general property tax is due and payable.

39 (h) "Veteran" means any citizen and resident of this State
40 honorably discharged or released under honorable circumstances
41 from active service in time of war in any branch of the Armed
42 Forces of the United States.

43 (i) "Veteran's deduction" means the deduction against the taxes
44 payable by any person, allowable pursuant to this act.

45 (j) "Surviving spouse" means the surviving wife or husband of
46 any of the following, while he or she is a resident of this State,
47 during widowhood or widowerhood:

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1 1. A citizen and resident of this State who has died or shall die
2 while on active duty in time of war in any branch of the Armed
3 Forces of the United States; or

4 2. A citizen and resident of this State who has had or shall
5 hereafter have active service in time of war in any branch of the
6 Armed Forces of the United States and who died or shall die while
7 on active duty in a branch of the Armed Forces of the United States;
8 or

9 3. A citizen and resident of this State who has been or may
10 hereafter be honorably discharged or released under honorable
11 circumstances from active service in time of war in any branch of
12 the Armed Forces of the United States.

13 (k) "Cooperative" means a housing corporation or association
14 incorporated or organized under the laws of New Jersey which
15 entitles a shareholder thereof to possess and occupy for dwelling
16 purposes a house, apartment or other structure owned or leased by
17 the corporation or association.

18 (l) "Mutual housing corporation" means a corporation not-for-
19 profit incorporated under the laws of New Jersey on a mutual or
20 cooperative basis within the scope of section 607 of the "National
21 Defense Housing Act," Pub.L.76-849 (42 U.S.C.s.1521 et seq.),
22 which acquired a National Defense Housing Project pursuant to that
23 act.

24 (m) "Continuing care retirement community" means a residential
25 facility primarily for retired persons where lodging and nursing,
26 medical or other health related services at the same or another
27 location are provided as continuing care to a resident of the facility
28 pursuant to an agreement effective for the life of the resident and in
29 consideration of the payment of an entrance fee with or without
30 other periodic charges, which agreement requires the individual to
31 bear a share of the property taxes that are assessed upon the
32 continuing care retirement community, if a share is attributable to
33 the unit that the resident occupies.

34 (cf: P.L.2017, c.134, s.1)

35
36 2. Section 2 of P.L.1963, c.171 (C:54:4-8.11) is amended to
37 read as follows:

38 2. Every person a citizen and resident of this State now or
39 hereafter honorably discharged or released under honorable
40 circumstances from active service in time of war in any branch of
41 the Armed Forces of the United States and a surviving spouse as
42 defined herein, during her widowhood or his widowerhood, and
43 while a resident of this State, shall be entitled, annually, on proper
44 claim being made therefor, to a deduction from the amount of any
45 tax bill for taxes on real or personal property or both in the sum of
46 \$100 in tax year 2000, \$150 in tax year 2001, \$200 in tax year
47 2002, and \$250 in each subsequent tax year, or if the amount of any
48 such tax shall be less than \$100 in tax year 2000, \$150 in tax year

1 2001, \$200 in tax year 2002, and \$250 in each subsequent tax year,
2 to a cancellation thereof. A person otherwise eligible for the
3 veterans' deduction who is a resident of a continuing care
4 retirement community shall be entitled to claim the deduction to the
5 extent of the share of the taxes assessed against the real property of
6 the continuing care retirement community that is attributable to the
7 unit that the resident occupies.

8 (cf: P.L.2000, c.9, s.1)

9

10 3. Section 6 of P.L.1963, c.171 (C.54:4-8.15) is amended to
11 read as follows:

12 6. Every fact essential to support a claim for a veteran's
13 deduction hereunder shall exist on October 1 of the pretax year and
14 in the case of an application by a veteran such application shall
15 establish that the claimant was, on October 1 of the pretax year, (a)
16 a veteran, as herein defined, (b) the owner of the legal title to the
17 property as to which the veteran's deduction is claimed and (c) a
18 citizen and resident of this State and, in the case of an application
19 by a surviving spouse, as herein defined, such application shall
20 establish that the surviving spouse was, on October 1 of the pretax
21 year, (a) the owner of the legal title to the property as to which the
22 veteran's deduction is claimed, (b) that he or she has not remarried
23 and (c) that he or she is a resident of this State. For purposes of
24 establishing a claim, a tenant shareholder in a cooperative or a
25 mutual housing corporation shall be deemed the owner of legal title
26 to his proportionate share of the taxable value of the real property
27 of the corporation or any other entity holding title. For the purpose
28 of establishing a claim, a resident of a continuing care retirement
29 community shall be deemed the owner of legal title to the share of
30 the taxable value of the real property of the continuing care
31 retirement community that is attributable to the unit that the
32 resident occupies.

33 (cf: P.L.1989, c.252, s.6)

34

35 4. Section 9 of P.L.1963, c.171 (C.54:4-8.18) is amended to
36 read as follows:

37 9. Where title to property as to which a veteran's deduction is
38 claimed is held by claimant and another or others, either as tenants
39 in common or as joint tenants, a claimant shall not be allowed a
40 veteran's deduction in an amount in excess of his or her
41 proportionate share of the taxes assessed against said property,
42 which proportionate share, for the purposes of this act, shall be
43 deemed to be equal to that of each of the other tenants, unless the
44 conveyance under which title is held specifically provides unequal
45 interests, in which event claimant's interest shall be as specifically
46 established in said conveyance. Property held by husband and wife,
47 as tenants by the entirety, shall be deemed to be wholly owned by
48 each tenant. Nothing herein shall preclude more than one tenant,

1 whether title be held in common, joint tenancy or by the entirety,
2 from claiming a veteran's deduction from the tax assessed against
3 the property so held. Right to claim a veteran's deduction
4 hereunder shall extend to property title to which is held by a
5 partnership, to the extent of the claimant's interest as a partner
6 therein, and by a guardian, trustee, committee, conservator or other
7 fiduciary for any person who would otherwise be entitled to claim a
8 veteran's deduction hereunder, but not to property the title to which
9 is held by a corporation, except that a tenant shareholder in a
10 cooperative or mutual housing corporation shall be entitled to claim
11 a veteran's deduction to the extent of his proportionate share of the
12 taxes assessed against the real property of the corporation or any
13 other entity holding title, and except that a resident of a continuing
14 care retirement community shall be entitled to claim a veterans'
15 deduction to the extent of the share of the taxes assessed against the
16 real property of the continuing care retirement community that is
17 attributable to the unit that the resident occupies.

18 (cf: P.L.1989, c.252, s.7)

19

20 5. Section 1 of P.L.1948, c.259 (C.54:4-3.30) is amended to
21 read as follows:

22 1. a. The dwelling house and the lot or curtilage whereon the
23 same is erected, of any citizen and resident of this State, now or
24 hereafter honorably discharged or released under honorable
25 circumstances, from active service, in time of war, in any branch of
26 the Armed Forces of the United States, who has been or shall be
27 declared by the United States Veterans Administration or its
28 successor to have a service-connected disability from paraplegia,
29 sarcoidosis, osteochondritis resulting in permanent loss of the use of
30 both legs, or permanent paralysis of both legs and lower parts of the
31 body, or from hemiplegia and has permanent paralysis of one leg
32 and one arm or either side of the body, resulting from injury to the
33 spinal cord, skeletal structure, or brain or from disease of the spinal
34 cord not resulting from any form of syphilis; or from total
35 blindness; or from amputation of both arms or both legs, or both
36 hands or both feet, or the combination of a hand and a foot; or from
37 other service-connected disability declared by the United States
38 Veterans Administration or its successor to be a total or 100%
39 permanent disability, and not so evaluated solely because of
40 hospitalization or surgery and recuperation, sustained through
41 enemy action, or accident, or resulting from disease contracted
42 while in such active service, shall be exempt from taxation, on
43 proper claim made therefor, and such exemption shall be in addition
44 to any other exemption of such person's real and personal property
45 which now is or hereafter shall be prescribed or allowed by the
46 Constitution or by law but no taxpayer shall be allowed more than
47 one exemption under this act.

1 A person otherwise eligible for the exemption who is a resident
2 of a continuing care retirement community shall be entitled to claim
3 the exemption to the extent of the share of the taxes assessed
4 against the real property of the continuing care retirement
5 community that is attributable to the unit that the resident occupies.

6 b. (1) The surviving spouse of any such citizen and resident of
7 this State, who at the time of death was entitled to the exemption
8 provided under this act, shall be entitled, on proper claim made
9 therefor, to the same exemption as the deceased had, during the
10 surviving spouse's widowhood or widowerhood, as the case may be,
11 and while a resident of this State, for the time that the surviving
12 spouse is the legal owner thereof and actually occupies the said
13 dwelling house or any other dwelling house thereafter acquired. A
14 surviving spouse otherwise entitled to the exemption who is a
15 resident of a continuing care retirement community shall be entitled
16 to claim the exemption to the extent of the share of the taxes
17 assessed against the real property of the continuing care retirement
18 community that is attributable to the unit that the surviving spouse
19 occupies.

20 (2) The surviving spouse of any citizen and resident of this State
21 who was honorably discharged and, after the citizen and resident's
22 death, is declared to have suffered a service-connected disability as
23 provided in subsection a. of this section, shall be entitled, on proper
24 claim made therefor, to the same exemption the deceased would
25 have become eligible for. The exemption shall continue during the
26 surviving spouse's widowhood or widowerhood, as the case may be,
27 and while a resident of this State, for the time that the surviving
28 spouse is the legal owner thereof and actually occupies the dwelling
29 house or any other dwelling house thereafter acquired. A surviving
30 spouse otherwise entitled to the exemption who is a resident of a
31 continuing care retirement community shall be entitled to claim the
32 exemption to the extent of the share of the taxes assessed against
33 the real property of the continuing care retirement community that
34 is attributable to the unit that the surviving spouse occupies.

35 c. The surviving spouse of any citizen and resident of this
36 State, who died in active service in time of war in any branch of the
37 Armed Forces of the United States, shall be entitled, on proper
38 claim made therefor, to an exemption from taxation on the dwelling
39 house and lot or curtilage whereon the same is erected, during the
40 surviving spouse's widowhood or widowerhood, as the case may be,
41 and while a resident of this State, for the time that the surviving
42 spouse is the legal owner thereof and actually occupies the said
43 dwelling or any other dwelling house thereafter acquired. A
44 surviving spouse otherwise entitled to the exemption who is a
45 resident of a continuing care retirement community shall be entitled
46 to claim the exemption to the extent of the share of the taxes
47 assessed against the real property of the continuing care retirement

1 community that is attributable to the unit that the surviving spouse
2 occupies.

3 d. The surviving spouse of any citizen and resident of this State
4 who died prior to January 10, 1972, that being the effective date of
5 P.L.1971, c.398, and whose circumstances were such that, had said
6 law become effective during the deceased's lifetime, the deceased
7 would have become eligible for the exemption granted under this
8 section as amended by said law, shall be entitled, on proper claim
9 made therefor, to the same exemption as the deceased would have
10 become eligible for upon the dwelling house and lot or curtilage
11 occupied by the deceased at the time of death, during the surviving
12 spouse's widowhood or widowerhood, as the case may be, and
13 while a resident of this State, for the time that the surviving spouse
14 is the legal owner thereof and actually occupies the said dwelling
15 house on the premises to be exempted. A surviving spouse
16 otherwise entitled to the exemption who is a resident of a
17 continuing care retirement community shall be entitled to claim the
18 exemption to the extent of the share of the taxes assessed against
19 the real property of the continuing care retirement community that
20 is attributable to the unit that the surviving spouse occupies.

21 e. Nothing in this act shall be intended to include paraplegia or
22 hemiplegia resulting from locomotor ataxia or other forms of
23 syphilis of the central nervous system, or from chronic alcoholism,
24 or to include other forms of disease resulting from the veteran's own
25 misconduct which may produce signs and symptoms similar to
26 those resulting from paraplegia, osteochondritis, or hemiplegia.
27 (cf: P.L.2007, c.317, s.1)

28

29 6. Section 2 of P.L.1948, c.259 (C.54:4-3.31) is amended to
30 read as follows:

31 2. All exemptions from taxation under P.L.1948, c.259
32 (C.54:4-3.30 et seq.) shall be allowed by the assessor upon the
33 filing with him of a claim in writing under oath, made by or on
34 behalf of the person claiming the same, showing the right to the
35 exemption, briefly describing the property for which exemption is
36 claimed and having annexed thereto a certificate of the claimant's
37 honorable discharge or release under honorable circumstances, from
38 active service, in time of war, in any branch of the armed forces and
39 a certificate from the United States Veterans Administration or its
40 successor, certifying to a service-connected disability of such
41 claimant of the character described in section 1 of P.L.1948, c.259
42 (C.54:4-3.30). In the case of a claim by a surviving spouse of such
43 veteran, the claimant shall establish in writing under oath that the
44 claimant is the owner of the legal title to the premises on which
45 exemption is claimed; that the claimant occupies the dwelling house
46 on said premises as the claimant's legal residence in this State; that
47 the veteran shall have been declared, either during the veteran's
48 lifetime or after the veteran's death, by the United States Veterans

1 Administration to have or to have had a service-connected disability
2 of a character described in this act, or, in the case of a claim for an
3 exemption under subsection c. of section 1 of P.L.1948, c.259
4 (C.54:4-3.30), that the veteran shall have been declared to have died
5 in active service in time of war; that the veteran was entitled to an
6 exemption provided for in this act, except for an exemption under
7 paragraph (2) of subsection b. and subsection c. of section 1 hereof,
8 at the time of death; and that the claimant is a resident of this State
9 and has not remarried. Such exemptions shall be allowed and
10 prorated by the assessor for the remainder of any taxable year from
11 the date the claimant shall have acquired title to the real property
12 intended to be exempt by this act. Where a portion of a multiple-
13 family building or structure occupied by the claimant is the subject
14 of such exemption, the assessor shall aggregate the assessment on
15 the lot or curtilage and building or structure and allow an exemption
16 of that percentage of the aggregate assessment as the value of the
17 portion of the building or structure occupied by the claimant bears
18 to the value of the entire building or structure.

19 For the purpose of establishing a claim, a resident of a
20 continuing care retirement community shall be deemed the owner of
21 legal title to the share of the taxable value of the real property of the
22 continuing care retirement community that is attributable to the unit
23 that the resident occupies.

24 (cf: P.L.2007, c.317, s.2)

25

26 7. Section 4 of P.L.1948, c.259 (C.54:4-3.33) is amended to
27 read as follows:

28 4. Dwelling house," as used in **【this act】** P.L.1948, c.259
29 (C.54:4-3.30 et al.), shall mean any one-family building or structure
30 or any unit of a horizontal property regime established pursuant to
31 the "Horizontal Property Act," P.L.1963, c. 168 (C. 46:8A-1 et
32 seq.) or any unit of a condominium property established pursuant to
33 the "Condominium Act," P.L.1969, c. 257 (C. 46:8B-1 et seq.)
34 owned and occupied by a claimant as his legal residence in this
35 State, or a unit in a continuing care retirement community occupied
36 by a claimant as his legal residence in this State, or where a
37 multiple-family building or structure is owned by a claimant, then
38 that portion thereof which is occupied by the claimant as his legal
39 residence in this State, and includes any outhouses or appurtenances
40 belonging thereto or usually enjoyed therewith.

41 (cf: P.L.1977, c. 293, s. 1)

42

43 8. Section 2 of P.L.1971, c.398 (C.54:4-3.33a) is amended to
44 read as follows:

45 2. For the purposes of **【this act】** P.L.1971, c.398 and **【the act**
46 **hereby amended and supplemented】** P.L.1948, c.259 (C.54:4-3.30
47 et al.):

1 "active service in time of war" means the periods of time set
2 forth in section 1(a) of chapter 171 of the laws of 1963, and chapter
3 165 of the laws of 1965, except that "active service in time of war"
4 for World War II means active service at some time during
5 December 7, 1941 to December 31, 1946, and

6 "continuing care retirement community" means a residential
7 facility primarily for retired persons where lodging and nursing,
8 medical, or other health related services at the same or another
9 location are provided as continuing care to a resident of the facility
10 pursuant to an agreement effective for the life of the resident and in
11 consideration of the payment of an entrance fee with or without
12 other periodic charges, which agreement requires the individual to
13 bear a share of the property taxes that are assessed upon the
14 continuing care retirement community, if a share is attributable to
15 the unit that the resident occupies.

16 (cf: P.L.1971, c.398, s.2)

17
18 9. This act shall take effect immediately, but shall remain
19 inoperative until the approval by the voters of a constitutional
20 amendment authorizing veterans honorably discharged or released
21 under honorable circumstances from active service in time of war
22 who are residents of continuing care retirement communities and
23 their surviving spouses to receive the veterans' property tax
24 deduction.

25
26
27 STATEMENT

28
29 This bill would extend the \$250 property tax deduction, and the
30 total property tax exemption, now granted to honorably discharged
31 veterans and their surviving spouses on the homes that they own, to
32 residential units in continuing care retirement communities.
33 Veterans, and their surviving spouses, who reside in continuing care
34 retirement communities do not qualify for the \$250 property tax
35 deduction or the total property tax exemption because these
36 veterans do not own the units in which they reside.

37 The bill will not become operative until the approval by the
38 voters of a constitutional amendment authorizing veterans
39 honorably discharged or released under honorable circumstances
40 from active service in time of war who are residents of continuing
41 care retirement communities and their surviving spouses to receive
42 the veterans' property tax deduction and the veterans' total property
43 tax exemption.

ASSEMBLY STATE AND LOCAL GOVERNMENT
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 3163

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 14, 2018

The Assembly State and Local Government Committee reports favorably and with committee amendments Assembly Bill No. 3163.

This bill would extend the \$250 property tax deduction, and the total property tax exemption, now granted to honorably discharged veterans and their surviving spouses on the homes that they own, to residential units in continuing care retirement communities. Veterans, and their surviving spouses, who reside in continuing care retirement communities do not qualify for the \$250 property tax deduction or the total property tax exemption because these veterans do not own the units in which they reside.

The bill will not become operative until the approval by the voters of a constitutional amendment authorizing veterans honorably discharged or released under honorable circumstances from active service in time of war who are residents of continuing care retirement communities and their surviving spouses to receive the veterans' property tax deduction and the veterans' total property tax exemption.

COMMITTEE AMENDMENTS

The committee amended the bill to update a section of the bill to current law.

STATEMENT TO
[First Reprint]
ASSEMBLY, No. 3163

with Assembly Floor Amendments
(Proposed by Assemblyman HOUGHTALING)

ADOPTED: JUNE 30, 2018

These floor amendments remove the sections of the bill that would authorize veterans having a service-connected permanent and total disability, who reside in a continuing care retirement community, to receive a veterans' property tax exemption.

These amendments also require the continuing care retirement community to provide the amount of that property tax deduction as a payment or credit to the resident. That payment or credit would be required to be made to the resident no later than 30 days after the continuing care retirement community receives the property tax bill on which the credit appears.

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

ASSEMBLY, No. 3163

STATE OF NEW JERSEY 218th LEGISLATURE

DATED: JUNE 24, 2019

SUMMARY

- Synopsis:** Extends eligibility for veterans' property tax deduction to residents of continuing care retirement communities.
- Type of Impact:** Increase in State expenditures from the Property Tax Relief Fund.
- Agencies Affected:** Department of the Treasury.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	\$350,000 - \$550,000	\$350,000 - \$550,000	\$350,000 - \$550,000

- The Office of Legislative Services (OLS) estimates that the enactment of this amended bill would result in an annual increase in State expenditures ranging from approximately \$350,000 to \$550,000, payable from the Property Tax Relief Fund.
- This amended bill would extend the eligibility for the veterans' property tax deduction to include continuing care retirement communities in which beneficiaries reside.
- Under current law, a person who was honorably discharged after serving in any branch of the Armed Forces of the United States during a time of war or other emergency, and the surviving spouse of any such veteran, is entitled to receive an annual \$250 property tax deduction. The State is required to reimburse each municipality in an amount equal to 102 percent of the total deductions provided to its residents. The State reimbursement for the maximum property tax deduction of \$250 would, therefore, equal \$255.
- The increase in State expenditures resulting from this amended bill would be approximately equal to: (1) the number of beneficiaries residing in continuing care retirement communities made newly eligible through the provisions of this amended bill (hereinafter "newly eligible beneficiaries"); multiplied by (2) the amount of the State reimbursement, which would not exceed \$255, provided for each property tax deduction.

- Using information acquired from the Department of Community Affairs and the United States Census Bureau, and assuming that every newly eligible veteran receives a \$250 deduction, the OLS estimates that the amended bill could result in an annual increase in State expenditures of approximately \$424,000.
- However, due to information constraints, the OLS is unable to determine: (1) the number of newly eligible beneficiaries who would receive a deduction of less than \$250 and (2) the number of surviving spouses of eligible veterans residing in continuing care retirement communities who would receive the deduction. Accounting for these factors, the OLS estimates that the annual increase in State expenditures resulting from this amended bill could range from approximately \$350,000 to \$550,000.

BILL DESCRIPTION

This amended bill extends the eligibility for the veterans' property tax deduction to include continuing care retirement communities in which an eligible veteran resides. Currently, a person who was honorably discharged after serving in any branch of the Armed Forces of the United States during a time of war or other emergency, and the surviving spouse of any such veteran, is entitled to receive an annual \$250 property tax deduction.

Under the amended bill, a person who otherwise qualifies for the deduction, but resides in a continuing care retirement community, would be entitled to receive the veterans' property tax deduction. Specifically, the deduction would be provided to the continuing care retirement community, which would credit or pay the amount of the deduction to each beneficiary residing in the facility within 30 days of receiving the property tax bill in which the deduction appears. In addition, the surviving spouse of an eligible veteran would be entitled to receive the veterans' property tax deduction if he or she resides in a continuing care retirement community.

The property tax deduction received by each continuing care retirement community would be equal to: (1) the number of beneficiaries residing in the facility, multiplied by (2) the amount of the deduction provided for each beneficiary, which may not exceed \$250. The amount of the deduction provided for each beneficiary residing in the facility would be based on the share of the taxes assessed against the real property of the continuing care retirement community that is attributable to the unit in which the person resides.

Under the amended bill, a continuing care retirement community is defined as a residential facility primarily for retired persons where lodging and nursing, medical or other health related services at the same or another location are provided as continuing care to a resident of the facility pursuant to an agreement effective for the life of the resident and in consideration of the payment of an entrance fee with or without other periodic charges, which agreement requires the individual to bear a share of the property taxes that are assessed upon the continuing care retirement community, if a share is attributable to the unit the resident occupies.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the enactment of this amended bill would result in an annual increase in State expenditures ranging from approximately \$350,000 to \$550,000, payable from the Property Tax Relief Fund. This amended bill is expected to increase State expenditures by increasing the number of persons who would receive the veterans' property tax deduction. Specifically, this cost increase would be attributable to the amount of veterans' property tax deductions provided to continuing care retirement communities on behalf of the newly eligible beneficiaries residing in the those facilities.

Under current law, a person who was honorably discharged after serving in any branch of the Armed Forces of the United States during a time of war or other emergency, and the surviving spouse of any such veteran, is entitled to receive an annual \$250 property tax deduction. A municipality applies the property tax deduction to each beneficiary's tax bill, and the State is required to reimburse the municipality in an amount equal to 102 percent of the total amount of the deductions provided in that municipality. The State reimbursement for the maximum property tax deduction of \$250 would, therefore, equal \$255.

The amended bill provides that a continuing care retirement community is entitled to receive a veterans' property tax deduction on behalf of each of its residents who qualify for the deduction. However, if Senate Concurrent Resolution No. 110 (2R)/Assembly Concurrent Resolution No. 134 (2R), pending before the Legislature, is approved, the State Constitution would provide that only those persons who received the veterans' property tax deduction immediately before residing in the continuing care retirement community would be entitled to receive the deduction.

The increased State expenditures associated with this amended bill would be approximately equal to: (1) the number of newly eligible beneficiaries residing in continuing care retirement communities; multiplied by (2) the State reimbursement, which may not exceed \$255, for each property tax deduction. Although the State does not record the number of veterans that reside in continuing care retirement communities, the OLS estimates this total by multiplying the total occupants of all continuing care retirement communities in the State by the percentage of persons over the age of 65 years who are veterans.

According to information provided by the Department of Community Affairs, the total occupancy of all continuing care retirement communities located in New Jersey is currently 9,835 persons. In addition, the American Community Survey (Five-Year Estimate, 2012-2016) published by the U.S. Census Bureau, indicates that a total of 1,312,291 people over the age of 65 years currently reside in the State, with 212,818 of those residents being veterans. As a result, approximately 16.9 percent of State residents over the age of 65 years are veterans.

Assuming that 16.9 percent of the 9,835 people who reside in continuing care retirement communities are veterans, the OLS estimates that approximately 1,662 veterans currently reside in these facilities. Also assuming that each of these veterans: (1) received the property tax deduction immediately prior to residing in the continuing care retirement community; (2) served in the Armed Forces of the United States during a time of war or other emergency; and (3) will be credited or paid the full \$250 property tax deduction; the estimated increase in State expenditures associated with this amended bill would be approximately \$424,000 per year. This estimate is calculated by multiplying the estimated number of newly eligible beneficiaries (i.e., 1,662 veterans) by the maximum State reimbursement of \$255 for each deduction.

However, the OLS notes that the amount of the deduction received by each newly eligible beneficiary would be based on the share of the taxes assessed against the real property of the continuing care retirement community that is attributable to the unit in which the person resides. As a result, if the share of the total property taxes attributable to a beneficiary's housing unit

does not exceed \$250, the amount of the deduction provided for that person will be less than \$250. In addition, the amended bill also entitles the surviving spouse of eligible veterans to receive the veterans' property tax deduction if he or she resides in a continuing care retirement community. Due to information constraints, the OLS is unable to determine the extent to which these factors would reduce the amount of each property tax deduction and increase the number of newly eligible beneficiaries.

In order to account for these factors, the OLS therefore estimates that the enactment of this amended bill could result in an annual increase in State expenditures ranging from approximately \$350,000 to \$550,000, payable from the Property Tax Relief Fund. However, this estimate should be viewed as a broad approximation, not a precise determination, of the anticipated cost.

The OLS notes that if a person who currently receives the veterans' property tax deduction moves to a continuing care retirement community, the State would not incur an increase in expenditures associated with that property tax deduction in a subsequent fiscal year. The OLS also notes that the provisions of this bill will not become operative until the approval of an amendment to the State Constitution to extend the eligibility for the veterans' property tax deduction to include continuing care retirement communities.

Section: Local Government

*Analyst: Joseph A. Pezzulo
Associate Research 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.).

Acting Governor Oliver Signs Legislation to Support New Jersey Veterans

08/05/2019

TRENTON – Acting Governor Sheila Oliver today signed five pieces of legislation furthering the Murphy-Oliver Administration's commitment to support more than 435,000 veterans who call New Jersey home.

"Today, we are backing up our words with action by signing five important pieces of legislation for our service women and men," **said Acting Governor Sheila Oliver, who serves as Commissioner of the Department of Community Affairs**. "From expanding veterans' property tax deductions to directing the provision of free legal services for veterans at risk of becoming homeless, these new laws put New Jersey on the right path for supporting those who have served our country."

The following bills were signed into law:

- **S1331 (Gopal, Madden/Houghtaling, Downey, Danielsen)** - Extends eligibility for veterans' property tax deduction to exemption to residents of continuing care retirement communities.
- **S2447 (Diegnan/Armato, Mazzeo, Murphy)** - Requires landlords to count federal military service member and veteran housing allowances as income for purposes of qualifying for rental housing; designated as Securing Electronic Records for Veterans Ease Act.
- **S2525 (Singleton, Cunningham/Armato, Mukherji, Danielsen)** - Directs Adjutant General to enter into agreements with legal services organizations to provide legal services to homeless veterans and veterans at risk of homelessness.
- **A4095 (Houghtaling, Downey, Space/Gopal)** - Grants veteran discharged under honorable conditions right to peddler's license.
- **SJR86 (Singleton/Armato, Mazzeo, DeAngelo)** - Honors American Legion on 100th anniversary of its founding.

The legislation signed addresses a range of services including from providing property tax relief to honoring the 100th Anniversary of the American Legion. Another bill directs the Adjutant General to work with legal service organizations, to provide combat veteran homelessness.

"New Jersey is committed to ensuring that we honor our brave men and women for their service, not just in words, but through action," **said New Jersey Adjutant General Jemal Beale**. "I thank the Acting Governor for signing this important legislation to support our veterans who have sacrificed so much for this nation."

Regarding S1331:

"To serve our country is to commit your life to our national values, freedoms and safety, no matter the cost," **said Senator Vin Gopal**. "This courageous and selfless act deserves to be acknowledged at all levels of our society, whether that means cutting veterans a break on their property taxes or expanding their access to career opportunities. No action is too big or small when we are thanking those who have sacrificed so much for us."

"The veterans' property tax deduction is an extension of our state's appreciation for our veterans," **said Senator Fred Madden**. "These folks, whether they own their home or not, risked their lives for this country and while \$250 may not seem like a large sum, when someone is in a retirement community, often living on a fixed income, every dollar counts."

"Our veterans have done so much for us, it is simply the least we can do to give them the same assistance we give to current homeowners," **said Assemblyman Eric Houghtaling**. "The goal of this law is to make a simple fix to offer all of our veterans the same benefit whether they own a home or live in a continuing care retirement community."

"Many veterans are discharged and end up experiencing significant financial hardships," **said Assemblywoman Joann Downey**. "This law will help veterans and their families by giving them just a little extra assistance to live in communities that can give them the care they not only need but deserve."

"Extending property tax deductions and exemptions for veterans living in continuing care retirement communities is absolutely the right thing to do," **said Assemblyman Joe Danielsen**. "Veterans have sacrificed for our country and

we should thank them by helping them any way we can.”

Regarding S2447:

“The benefit of this law is that it will help veterans secure rental housing,” **said Assemblyman John Armato**. “It is also beneficial to those military service members or veterans who are full-time students who often have limited or no income.”

“Our veterans have made so many sacrifices for our country,” **said Assemblyman Vincent Mazzeo**. “We should always look for ways to make their lives easier. They have earned and deserve such consideration.”

“Our nation and our state must continuously show our veterans that they are appreciated,” **said Assemblywoman Carol Murphy**. “This country is better, safer and freer because of our military. As a nation, we owe them a tremendous debt.”

Regarding S2525:

“New Jersey has between 1,500 and 2,000 homeless veterans,” **said Assemblyman John Armato, a U.S. Air Force veteran who served in the Philippines Islands and Korea**. “These statistics are unacceptable, and this law looks to correct such disturbing figures by helping these veterans get the services that they need and deserve.”

“It is unconscionable that we allow veterans to be homeless considering the sacrifices they have made to safeguard our liberties,” **said Assemblyman Raj Mukherji, a former Sergeant in the U.S. Marine Corps**. “In many instances, the stress and frustration that veterans experience are related to a lack of services or awareness that they exist. By helping more veterans income-qualify for rental housing, this law will help eliminate a few more roadblocks in their lives.”

“Sadly, our veterans comprise some of the highest rates of unemployment, homelessness and suicide in our communities,” **said Assemblyman Joe Daniels, who served in the U.S. Army Reserves’ 78th Division here in New Jersey and comes from a long line of veterans in his family**. “We must continue looking for ways to better serve our veterans, and this legislation is a step in the right direction.”

“Those who have put their life on the line to protect our country should be provided with legal representation when they’re at risk of losing their home,” **said Senator Sandra Cunningham**. “Veterans deserve an advocate when it relates to their well-being, their safety or the security of their family.”

“The veterans’ property tax deduction is an extension of our state’s appreciation for our veterans,” **said Senator Fred Madden**. “These folks, whether they own their home or not, risked their lives for this country and while \$250 may not seem like a large sum, when someone is in a retirement community, often living on a fixed income, every dollar counts.”

Regarding A0495:

“This isn’t about giving them a free license, it’s giving them an opportunity,” **said Assemblyman Parker Space**. “More men and women who stepped up to serve our country can be their own boss, earn extra income and even grow their venture into a food truck or brick-and-mortar business.”

Regarding SJR 86:

“It is unacceptable to allow our veterans to go from serving our country to living on the streets when they come home,” **said Senator Troy Singleton**. “Our veterans sacrificed time away from their families, friends and work in defense of our freedom so we must do everything possible to assist them during difficult and trying times in their lives. They deserve to be treated with dignity and should have the best services at their disposal.”

“Over the past 100 years, the American Legion has made a considerable mark on American culture,” **said Assemblyman John Armato**. “From influencing social change to starting programs for youth to advocating for veterans, the Legion has changed the lives of so many people. I applaud the Legion for reaching this milestone, and look forward to seeing it grow for years to come.”

“What began as a small patriotic veteran’s organization has flourished into an over two million-strong nonprofit spanning all fifty states and the District of Columbia, Puerto Rico, France, Mexico and the Philippines,” **said Assemblyman Vince Mazzeo**. “The patriots of the American Legion work tirelessly to serve veterans and make a positive impact in their communities, and their efforts should be celebrated today and every day.”

“The American Legion represents the very best of America; the people who’ve served their country bravely, and gone on to continue their service through community-based advocacy,” **said Assemblyman Wayne DeAngelo.** “We salute the American Legion and all it has achieved for our entire nation.”

“The American Legion is the nation’s largest veterans service organization with 295 American Legion Posts in New Jersey,” **said New Jersey American Legion State Commander Robert Newell.** “Since 1919, we have supported America’s service members and veterans, their families, and the communities we live in. We thank Acting Governor Oliver and the New Jersey legislature for their leadership and commitment of service to those who have served, those currently serving, and the communities of this great state.”

