

P.L. 1999, CHAPTER 259, *approved October 15, 1999*
Assembly, No. 3040

1 **AN ACT** clarifying the tenant rebate provisions of the NJ SAVER and
2 Homestead Rebate Act, amending P.L.1990, c.61.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. Section 4 of P.L.1990, c.61 (C.54:4-8.60) is amended to read as
8 follows:

9 4. a. A resident of this State who is 65 years of age or older at the
10 close of the tax year, or who is allowed to claim a personal deduction
11 as a blind or disabled taxpayer pursuant to subsection b. of
12 N.J.S.54A:3-1, whose homestead is a unit of residential rental
13 property shall be allowed a homestead rebate for the tax year equal to
14 the amount by which the claimant's rent constituting property taxes in
15 that tax year exceeds 5% of the claimant's gross income, up to a
16 maximum rebate of \$500 (rounded to the nearest whole dollar),
17 provided that:

18 (1) in the case of a married couple filing a joint New Jersey gross
19 income tax return or an individual filing a return who determines gross
20 income tax pursuant to subsection a. of N.J.S.54A:2-1, gross income
21 does not exceed \$70,000 for that year;

22 (2) in the case of an unmarried individual who determines gross
23 income tax pursuant to subsection b. of N.J.S.54A:2-1, gross income
24 does not exceed \$35,000 for that year;

25 (3) in the case of a married individual filing a separate New Jersey
26 gross income tax return, if the spouse of the claimant maintains the
27 same homestead as the claimant and also files a separate gross income
28 tax return in this State, the combined gross income of both spouses
29 does not exceed \$70,000, but in no event shall the homestead rebate
30 claimed under this subsection exceed one-half of the amount of the
31 homestead rebate allowable had the spouses filed a joint return and
32 homestead rebate application; and

33 (4) in the case of a married individual filing a separate gross
34 income tax return and maintaining a homestead apart from that
35 individual's spouse, gross income does not exceed \$35,000.

36 b. If more than one resident, other than a husband and wife, qualify
37 for a homestead rebate by reason of their having occupied the same
38 unit of residential rental property as their homestead, it shall be
39 presumed that each claimant shall be allowed a homestead rebate
40 pursuant to this section only in relation to the individual's
41 proportionate share of the total rent constituting property taxes paid

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 by that claimant which homestead rebate shall be in proportion to the
2 percentage that the total rent paid by that claimant bears to the total
3 rent paid by all tenants of the same unit. For the purposes of a
4 homestead rebate claimed by an individual subject to this subsection,
5 the names and social security numbers of each co-tenant shall be
6 reported by the claimant and the total rent paid shall be presumed to
7 be paid in equal parts among all co-tenants.

8 c. If a claimant for a homestead rebate pursuant to this section has
9 no other homestead in this State other than a unit of residential rental
10 property, and that claimant was not a resident of this State for the full
11 tax year, but paid rent for the full tax year for one or more units of
12 residential rental property in this State, the claimant's total homestead
13 rebate otherwise calculated pursuant to this section shall be prorated
14 in the proportion which the number of days the claimant occupied
15 residential rental property in this State as a homestead during the tax
16 year bears to 365 days.

17 d. Nothing in this section shall preclude a co-tenant, other than a
18 husband or wife claiming a homestead rebate on the same homestead,
19 from receiving a homestead rebate determined pursuant to subsection
20 e. or f. of this section if another co-tenant claims a rebate pursuant to
21 subsection a. of this section, provided however, that each such claim
22 shall be separately subject to the provisions of subsections b. and c.
23 of this section.

24 e. (1) Notwithstanding the provisions of subsection a. of this
25 section to the contrary, a homestead rebate shall be allowed for a
26 resident of this State who is 65 years of age or older at the close of the
27 tax year, or who is allowed to claim a personal deduction as a blind or
28 disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1, whose
29 homestead is a unit of residential rental property which shall not be
30 less than:

31 (a) the greater of either the amount determined pursuant to
32 subsection f. of this section or \$65 for property taxes paid through
33 rent on the homestead for the tax year if the claimant's gross income
34 does not exceed \$70,000 for that year; or

35 (b) the greater of either the amount determined pursuant to
36 subsection f. of this section or \$35 for property taxes paid through
37 rent on the homestead for the tax year if the claimant's gross income
38 exceeds \$70,000 but does not exceed \$100,000 for that year.

39 (2) If a claimant who is eligible to receive a homestead rebate in an
40 amount set forth in paragraph (1) of this subsection paid rent for less
41 than the full tax year on one or more homesteads in this State
42 maintained as such for less than the full tax year, the homestead rebate
43 amount set forth in paragraph (1) shall be prorated in the proportion
44 which the number of days that the homestead was maintained during
45 the tax year bears to 365 days. A claim for a homestead rebate in an
46 amount set forth in paragraph (1) of this subsection shall be subject to

1 such further proportionate reduction as may be required pursuant to
2 subsections b. and c. of this section. A homestead rebate in an amount
3 set forth in paragraph (1) of this subsection subject to any
4 proportionate reduction shall be rounded to the nearest whole dollar.
5 A claim for a homestead rebate in an amount set forth in paragraph (1)
6 of this subsection based upon a homestead maintained by both spouses
7 shall be determined based upon the combined gross income of both
8 spouses regardless of whether the claimants filed a joint New Jersey
9 gross income tax return or separate New Jersey gross income tax
10 returns for the tax year.

11 f. (1) A resident of this State [who is not 65 years of age or older
12 at the close of the tax year, and who is not allowed to claim a personal
13 deduction as a blind or disabled taxpayer pursuant to subsection b. of
14 N.J.S.54A:3-1,] whose homestead is a unit of residential rental
15 property, who has gross income for the tax year not in excess of
16 \$100,000, shall be allowed a homestead rebate pursuant to this
17 subsection of \$30 for property taxes paid through rent during the 1998
18 tax year, \$40 for property taxes paid through rent during the 1999 tax
19 year, \$60 for property taxes paid through rent during the 2000 tax
20 year, \$80 for property taxes paid through rent during the 2001 tax
21 year, and \$100 for property taxes paid through rent during any tax
22 year thereafter, provided however, that the homestead rebate allowed
23 pursuant to this subsection shall be subject to the limitations and
24 reductions as may apply pursuant to the provisions of subsections b.
25 and c. of this section and such proportionate reduction as may relate
26 to the number of days the claimant was a tenant in a unit of residential
27 rental property maintained as a homestead in this State during the tax
28 year.

29 (2) The gross income limit imposed in paragraph (1) of this
30 subsection for a claim for a homestead rebate made pursuant to this
31 subsection that is based upon a homestead maintained by both spouses
32 shall be based upon the combined gross income of both spouses if the
33 claimants filed a joint New Jersey gross income tax return for the tax
34 year. If a claim by a married individual for a homestead rebate made
35 pursuant to this subsection is based upon a homestead maintained by
36 both spouses who each file separate New Jersey gross income tax
37 returns for the tax year, no homestead rebate for the tax year shall be
38 paid to either spouse if their combined gross income exceeds the gross
39 income limit imposed in paragraph (1) of this subsection. For such a
40 claim, if the combined gross income of both spouses does not exceed
41 the gross income limit imposed in paragraph (1) of this subsection,
42 then each such spouse making a claim shall be allowed a homestead
43 rebate amount equal to one-half of the homestead rebate amount
44 otherwise allowed pursuant to this subsection.

45 (cf: P.L.1999, c. , s.6)(Now pending before the Legislature as Section
46 6 of Assembly Bill No. 1 of 1999 or Senate Bill No. 12 of 1999)

1 2. Section 5 of P.L.1990, c.61 (C.54:4-8.61) is amended to read as
2 follows:

3 5. a. A resident of this State who is 65 years of age or older at the
4 close of the tax year, or who is allowed to claim a personal deduction
5 as a blind or disabled taxpayer pursuant to subsection b. of
6 N.J.S.54A:3-1, who is a resident of this State for the full tax year for
7 which a homestead rebate is claimed, whose homestead has been other
8 than a unit of residential rental property for a part of the tax year and
9 has been a unit of residential rental property for the remainder of that
10 year, shall be allowed a homestead rebate for that tax year equal to the
11 amount by which the sum of the actual property taxes paid by the
12 claimant and the rent constituting property taxes paid by the claimant
13 in that tax year exceeds 5% of the claimant's gross income, up to a
14 maximum rebate of \$500 (rounded to the nearest whole dollar),
15 provided that:

16 (1) in the case of a married couple filing a joint New Jersey gross
17 income tax return or an individual filing a return who determines gross
18 income tax pursuant to subsection a. of N.J.S.54A:2-1, gross income
19 does not exceed \$70,000 for that year;

20 (2) in the case of an unmarried individual who determines gross
21 income tax pursuant to subsection b. of N.J.S.54A:2-1, gross income
22 does not exceed \$35,000 for that year;

23 (3) in the case of a married individual filing a separate New Jersey
24 gross income tax return, if the spouse of the claimant maintains the
25 same homestead as the claimant and also files a separate gross income
26 tax return in this State, the combined gross income of both spouses
27 does not exceed \$70,000, but in no event shall the homestead rebate
28 claimed under this subsection exceed one-half of the amount of the
29 homestead rebate allowable had the spouses filed a joint return and
30 rebate application; and

31 (4) in the case of a married individual filing a separate gross
32 income tax return and maintaining a homestead apart from that
33 individual's spouse, gross income does not exceed \$35,000.

34 b. (1) Notwithstanding the provisions of subsection a. of this
35 section to the contrary, a homestead rebate shall be allowed for a
36 resident of this State who is 65 years of age or older at the close of the
37 tax year, or who is allowed to claim a personal deduction as a blind or
38 disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1, who is
39 a resident of this State for the full tax year for which a homestead
40 rebate is claimed, who has paid property taxes on a homestead other
41 than a unit of residential rental property for a part of the tax year and
42 has paid property taxes through rent on a unit of residential rental
43 property for the remainder of that year, which shall not be less than:

44 (a) the sum of that portion of \$150 which the number of days that
45 the claimant's homestead was other than a unit of residential rental
46 property bears to 365 days and that portion of **[\$65]** the amount

1 determined pursuant to paragraph (1) of subsection e. of section 4 of
2 P.L.1990, c.61 (C.54:4-60) which the number of days that the
3 claimant's homestead was a unit of residential rental property bears to
4 365 days, if the claimant's gross income does not exceed \$70,000 for
5 that year; or

6 (b) the sum of that portion of \$100 which the number of days that
7 the claimant's homestead was other than a unit of residential rental
8 property bears to 365 days and that portion of **【\$35】** the amount
9 determined pursuant to paragraph (1) of subsection e. of section 4 of
10 P.L.1990, c.61 (C.54:4-8.60) which the number of days that the
11 claimant's homestead was a unit of residential rental property bears to
12 365 days, if the claimant's gross income exceeds \$70,000 but does not
13 exceed \$100,000 for that year.

14 (2) A claim for a homestead rebate pursuant to this subsection shall
15 first be subject to such further proportionate reductions to the
16 respective portions of the sums determined pursuant to subparagraph
17 (a) or (b) of paragraph (1) of this subsection as may be required
18 pursuant to subsections c. and d. of section 3 of P.L.1990, c.61
19 (C.54:4-8.59) and subsections b. and c. of section 4 of P.L.1990, c.61
20 (C.54:4-8.60). A homestead rebate determined pursuant to this
21 subsection shall be rounded to the nearest whole dollar. A claim for
22 a homestead rebate determined pursuant to this subsection based upon
23 a homestead maintained by both spouses shall be determined based
24 upon the combined gross income of both spouses regardless of
25 whether the claimants filed a joint New Jersey gross income tax return
26 or separate New Jersey gross income tax returns for the tax year.

27 c. A claim for a homestead rebate for a resident of this State who
28 is not 65 years of age or older at the close of the tax year, and who is
29 not allowed to claim a personal deduction as a blind or disabled
30 taxpayer pursuant to subsection b. of N.J.S.54A:3-1, who is a resident
31 of this State for the full tax year for which a homestead rebate is
32 claimed, who has paid property taxes on a homestead other than a unit
33 of residential rental property for a part of the tax year and has paid
34 property taxes through rent on a unit of residential rental property for
35 the remainder of that year shall be determined based upon the sum of:

36 (1) a homestead rebate determined under subsection g. of section
37 3 of P.L.1990, c.61 (C.54:4-8.59), as may apply, subject to such
38 proportionate reduction as relates to the number of days that the
39 claimant's homestead was other than a unit of residential rental
40 property bears to 365 days; and

41 (2) a homestead rebate determined under subsection f. of section
42 4 of P.L.1990, c.61 (C.54:4-8.60), as may apply, subject to such
43 proportionate reduction as relates to the number of days that the
44 claimant's homestead was a unit of residential rental property bears to
45 365 days.

46 (cf: P.L.1999, c. , s.7)(Now pending before the Legislature as Section
47 7 of Assembly Bill No. 1 of 1999 or Senate Bill No. 12 of 1999)

1 3. This act shall take effect immediately .

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STATEMENT

5

6 This bill clarifies the tenant rebate benefit under the NJ SAVER and
7 Homestead Rebate Act to ensure that the minimum benefit provided
8 to residents who are 65 years of age or older or are eligible to claim
9 a deduction as a blind or disabled taxpayer shall not be less than the
10 minimum benefit provided to other eligible tenants.

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14

15 Clarifies the tenant rebate provisions of the NJ SAVER and
16 Homestead Rebate Act.

ASSEMBLY, No. 3040

STATE OF NEW JERSEY 208th LEGISLATURE

INTRODUCED MARCH 29, 1999

Sponsored by:

Assemblyman PAUL DIGAETANO
District 36 (Bergen, Essex and Passaic)
Assemblyman NEIL M. COHEN
District 20 (Union)

SYNOPSIS

Clarifies the tenant rebate provisions of the NJ SAVER and Homestead Rebate Act.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/11/1999)

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2 Homestead Rebate Act, amending P.L.1990, c.61.

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10 close of the tax year, or who is allowed to claim a personal deduction
11 as a blind or disabled taxpayer pursuant to subsection b. of
12 N.J.S.54A:3-1, whose homestead is a unit of residential rental
13 property shall be allowed a homestead rebate for the tax year equal to
14 the amount by which the claimant's rent constituting property taxes in
15 that tax year exceeds 5% of the claimant's gross income, up to a
16 maximum rebate of \$500 (rounded to the nearest whole dollar),
17 provided that:

18 (1) in the case of a married couple filing a joint New Jersey gross
19 income tax return or an individual filing a return who determines gross
20 income tax pursuant to subsection a. of N.J.S.54A:2-1, gross income
21 does not exceed \$70,000 for that year;

22 (2) in the case of an unmarried individual who determines gross
23 income tax pursuant to subsection b. of N.J.S.54A:2-1, gross income
24 does not exceed \$35,000 for that year;

25 (3) in the case of a married individual filing a separate New Jersey
26 gross income tax return, if the spouse of the claimant maintains the
27 same homestead as the claimant and also files a separate gross income
28 tax return in this State, the combined gross income of both spouses
29 does not exceed \$70,000, but in no event shall the homestead rebate
30 claimed under this subsection exceed one-half of the amount of the
31 homestead rebate allowable had the spouses filed a joint return and
32 homestead rebate application; and

33 (4) in the case of a married individual filing a separate gross
34 income tax return and maintaining a homestead apart from that
35 individual's spouse, gross income does not exceed \$35,000.

36 b. If more than one resident, other than a husband and wife, qualify
37 for a homestead rebate by reason of their having occupied the same
38 unit of residential rental property as their homestead, it shall be
39 presumed that each claimant shall be allowed a homestead rebate
40 pursuant to this section only in relation to the individual's
41 proportionate share of the total rent constituting property taxes paid
42 by that claimant which homestead rebate shall be in proportion to the
43 percentage that the total rent paid by that claimant bears to the total

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 rent paid by all tenants of the same unit. For the purposes of a
2 homestead rebate claimed by an individual subject to this subsection,
3 the names and social security numbers of each co-tenant shall be
4 reported by the claimant and the total rent paid shall be presumed to
5 be paid in equal parts among all co-tenants.

6 c. If a claimant for a homestead rebate pursuant to this section has
7 no other homestead in this State other than a unit of residential rental
8 property, and that claimant was not a resident of this State for the full
9 tax year, but paid rent for the full tax year for one or more units of
10 residential rental property in this State, the claimant's total homestead
11 rebate otherwise calculated pursuant to this section shall be prorated
12 in the proportion which the number of days the claimant occupied
13 residential rental property in this State as a homestead during the tax
14 year bears to 365 days.

15 d. Nothing in this section shall preclude a co-tenant, other than a
16 husband or wife claiming a homestead rebate on the same homestead,
17 from receiving a homestead rebate determined pursuant to subsection
18 e. or f. of this section if another co-tenant claims a rebate pursuant to
19 subsection a. of this section, provided however, that each such claim
20 shall be separately subject to the provisions of subsections b. and c.
21 of this section.

22 e. (1) Notwithstanding the provisions of subsection a. of this
23 section to the contrary, a homestead rebate shall be allowed for a
24 resident of this State who is 65 years of age or older at the close of the
25 tax year, or who is allowed to claim a personal deduction as a blind or
26 disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1, whose
27 homestead is a unit of residential rental property which shall not be
28 less than:

29 (a) the greater of either the amount determined pursuant to
30 subsection f. of this section or \$65 for property taxes paid through
31 rent on the homestead for the tax year if the claimant's gross income
32 does not exceed \$70,000 for that year; or

33 (b) the greater of either the amount determined pursuant to
34 subsection f. of this section or \$35 for property taxes paid through
35 rent on the homestead for the tax year if the claimant's gross income
36 exceeds \$70,000 but does not exceed \$100,000 for that year.

37 (2) If a claimant who is eligible to receive a homestead rebate in an
38 amount set forth in paragraph (1) of this subsection paid rent for less
39 than the full tax year on one or more homesteads in this State
40 maintained as such for less than the full tax year, the homestead rebate
41 amount set forth in paragraph (1) shall be prorated in the proportion
42 which the number of days that the homestead was maintained during
43 the tax year bears to 365 days. A claim for a homestead rebate in an
44 amount set forth in paragraph (1) of this subsection shall be subject to
45 such further proportionate reduction as may be required pursuant to
46 subsections b. and c. of this section. A homestead rebate in an amount

1 set forth in paragraph (1) of this subsection subject to any
2 proportionate reduction shall be rounded to the nearest whole dollar.
3 A claim for a homestead rebate in an amount set forth in paragraph (1)
4 of this subsection based upon a homestead maintained by both spouses
5 shall be determined based upon the combined gross income of both
6 spouses regardless of whether the claimants filed a joint New Jersey
7 gross income tax return or separate New Jersey gross income tax
8 returns for the tax year.

9 f. (1) A resident of this State [who is not 65 years of age or older
10 at the close of the tax year, and who is not allowed to claim a personal
11 deduction as a blind or disabled taxpayer pursuant to subsection b. of
12 N.J.S.54A:3-1,] whose homestead is a unit of residential rental
13 property, who has gross income for the tax year not in excess of
14 \$100,000, shall be allowed a homestead rebate pursuant to this
15 subsection of \$30 for property taxes paid through rent during the 1998
16 tax year, \$40 for property taxes paid through rent during the 1999 tax
17 year, \$60 for property taxes paid through rent during the 2000 tax
18 year, \$80 for property taxes paid through rent during the 2001 tax
19 year, and \$100 for property taxes paid through rent during any tax
20 year thereafter, provided however, that the homestead rebate allowed
21 pursuant to this subsection shall be subject to the limitations and
22 reductions as may apply pursuant to the provisions of subsections b.
23 and c. of this section and such proportionate reduction as may relate
24 to the number of days the claimant was a tenant in a unit of residential
25 rental property maintained as a homestead in this State during the tax
26 year.

27 (2) The gross income limit imposed in paragraph (1) of this
28 subsection for a claim for a homestead rebate made pursuant to this
29 subsection that is based upon a homestead maintained by both spouses
30 shall be based upon the combined gross income of both spouses if the
31 claimants filed a joint New Jersey gross income tax return for the tax
32 year. If a claim by a married individual for a homestead rebate made
33 pursuant to this subsection is based upon a homestead maintained by
34 both spouses who each file separate New Jersey gross income tax
35 returns for the tax year, no homestead rebate for the tax year shall be
36 paid to either spouse if their combined gross income exceeds the gross
37 income limit imposed in paragraph (1) of this subsection. For such a
38 claim, if the combined gross income of both spouses does not exceed
39 the gross income limit imposed in paragraph (1) of this subsection,
40 then each such spouse making a claim shall be allowed a homestead
41 rebate amount equal to one-half of the homestead rebate amount
42 otherwise allowed pursuant to this subsection.

43 (cf: P.L.1999, c. , s.6)(Now pending before the Legislature as Section
44 6 of Assembly Bill No. 1 of 1999 or Senate Bill No. 12 of 1999)

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46 2. Section 5 of P.L.1990, c.61 (C.54:4-8.61) is amended to read as

1 follows:

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3 close of the tax year, or who is allowed to claim a personal deduction
4 as a blind or disabled taxpayer pursuant to subsection b. of
5 N.J.S.54A:3-1, who is a resident of this State for the full tax year for
6 which a homestead rebate is claimed, whose homestead has been other
7 than a unit of residential rental property for a part of the tax year and
8 has been a unit of residential rental property for the remainder of that
9 year, shall be allowed a homestead rebate for that tax year equal to the
10 amount by which the sum of the actual property taxes paid by the
11 claimant and the rent constituting property taxes paid by the claimant
12 in that tax year exceeds 5% of the claimant's gross income, up to a
13 maximum rebate of \$500 (rounded to the nearest whole dollar),
14 provided that:

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16 income tax return or an individual filing a return who determines gross
17 income tax pursuant to subsection a. of N.J.S.54A:2-1, gross income
18 does not exceed \$70,000 for that year;

19 (2) in the case of an unmarried individual who determines gross
20 income tax pursuant to subsection b. of N.J.S.54A:2-1, gross income
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24 same homestead as the claimant and also files a separate gross income
25 tax return in this State, the combined gross income of both spouses
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27 claimed under this subsection exceed one-half of the amount of the
28 homestead rebate allowable had the spouses filed a joint return and
29 rebate application; and

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39 rebate is claimed, who has paid property taxes on a homestead other
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41 has paid property taxes through rent on a unit of residential rental
42 property for the remainder of that year, which shall not be less than:

43 (a) the sum of that portion of \$150 which the number of days that
44 the claimant's homestead was other than a unit of residential rental
45 property bears to 365 days and that portion of **[\$65]** the amount
46 determined pursuant to paragraph (1) of subsection e. of section 4 of

1 P.L.1990, c.61 (C.54:4-60) which the number of days that the
2 claimant's homestead was a unit of residential rental property bears to
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11 365 days, if the claimant's gross income exceeds \$70,000 but does not
12 exceed \$100,000 for that year.

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14 first be subject to such further proportionate reductions to the
15 respective portions of the sums determined pursuant to subparagraph
16 (a) or (b) of paragraph (1) of this subsection as may be required
17 pursuant to subsections c. and d. of section 3 of P.L.1990, c.61
18 (C.54:4-8.59) and subsections b. and c. of section 4 of P.L.1990, c.61
19 (C.54:4-8.60). A homestead rebate determined pursuant to this
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27 is not 65 years of age or older at the close of the tax year, and who is
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29 taxpayer pursuant to subsection b. of N.J.S.54A:3-1, who is a resident
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31 claimed, who has paid property taxes on a homestead other than a unit
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43 claimant's homestead was a unit of residential rental property bears to
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6 This bill clarifies the tenant rebate benefit under the NJ SAVER and
7 Homestead Rebate Act to ensure that the minimum benefit provided
8 to residents who are 65 years of age or older or are eligible to claim
9 a deduction as a blind or disabled taxpayer shall not be less than the
10 minimum benefit provided to other eligible tenants.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3040

STATE OF NEW JERSEY

DATED: JUNE 3, 1999

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 3040.

This bill clarifies the tenant rebate benefit under the NJ SAVER and Homestead Rebate Act ("NJ SAVER Act") with respect to qualified claimants who are seniors, blind or disabled.

The recently enacted NJ SAVER Act provides for direct rebates of a portion of the property tax on owner-occupied primary residences of income-qualified persons; the act also includes a tenant's homestead rebate modeled on the existing tenant's rebate program. Under each component of the NJ SAVER regime, a beneficiary is entitled to either the benefit under the new program or the respective homeowner's or tenant's benefit provided under the regular homestead rebate program, whichever is greater.

This bill modifies a provision of the NJ SAVER Act to incorporate a technical change that will ensure that the benefits provided to tenants who are 65 years of age or older or are eligible to claim a deduction as a blind or disabled taxpayer shall not be less than the minimum benefit provided to other eligible tenants. Under the Act, the minimum benefit for eligible tenants is \$30 in FY2000, \$40 in FY2001, \$60 in FY 2002, \$80 in FY 2003 and \$100 in each subsequent fiscal year.

FISCAL IMPACT

The Division of Taxation in the Department of the Treasury estimates that the cost of this bill will be \$5,000 in FY 2001, \$25,000 in FY2002, \$214,000 in FY 2003 and \$630,000 annually in each subsequent year. These estimates are based on existing homestead rebate data and reflect the difference between current rebates and the potentially higher rebates that may be received by approximately 20,000 tenants under the provisions of this bill. The largest marginal increase under the bill will be \$65 and in most cases the difference will be less than \$25.

FISCAL NOTE

ASSEMBLY, No. 3040

STATE OF NEW JERSEY

208th LEGISLATURE

DATED: MAY 28, 1999

PROVISIONS OF THE BILL

Assembly Bill No. 3040 of 1999 modifies one provision in the recently enacted "New Jersey School Assessment Valuation Exemption Relief and Homestead Rebate Act" (NJ SAVER and Homestead Rebate Act) P.L.1999, c.63. The technical change incorporated in this bill ensures that the benefits provided to tenants who are 65 years of age or older or are eligible to claim a deduction as a blind or disabled taxpayer shall not be less than the minimum benefit provided to other eligible tenants. Under the NJ SAVER and Homestead Rebate Act the benefit for eligible tenants is \$30 in FY2000, \$40 in FY2001, \$60 in FY 2002, \$80 in FY 2003 and \$100 in each subsequent fiscal year.

AGENCY COMMENTS

The Division of Taxation in the Department of the Treasury estimates that the cost of this bill will be \$5,000 in FY 2001, \$25,000 in FY2002, \$214,000 in FY 2003 and \$630,000 annually in each subsequent year. These estimates are based on existing homestead rebate data and reflect the difference between current rebates and the potentially higher rebates that may be received by approximately 20,000 tenants under the provisions of this bill. The largest marginal increase under the bill will be \$65 and in most cases the difference will be less than \$25.

OFFICE OF LEGISLATIVE SERVICES COMMENTS

The Office of Legislative Services believes that the Division's estimate of the potential cost is reasonable and notes that the bill will increase the cost of the NJ SAVER and Homestead Rebate Act programs by less than one-tenth of one percent.

This fiscal note has been prepared pursuant to P.L.1980, c.67.

Office of the Governor
NEWS RELEASE

CONTACT: Jayne O'Connor
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RELEASE: October 15, 1999

Governor Christie Whitman today signed the following legislation:

A-1447, sponsored by Assembly Speaker Jack Collins, requires legislative counsel to provide prime sponsors of legislation with advice of legal defects at the same time the counsel provides a written response to a request for a confidential written opinion on a bill.

A-170, sponsored by Assembly Members John Kelly (R-Bergen/Essex/Passaic) and Louis Romano (D-Hudson), eliminates the dual-licensing requirement for rooming and boarding houses and it increases the fee that may be charged by the Department of Community Affairs to license rooming and boarding houses.

A-1670, sponsored by Assemblywomen Marion Crecco (R-Essex/Passaic) and Charlotte Vandervalk (R-Bergen) and Senator Diane Allen (R- Burlington/Camden), establishes the neighborhood-Based Child Care Incentive Demonstration Program. This program expands the availability of safe, affordable child care to low and middle income families by encouraging the use of volunteer networks in the delivery of neighborhood-based child care services. The demonstration program, administered by the Department of Human Services, will operate in five counties, two of which will be in municipalities targeted by the Governor's Urban Coordinating Council.

A-2023, sponsored by Assembly Members Arline Friscia (D-Middlesex) and Reed Gusciora (D-Mercer), requires public employers to promptly pay amounts due certain employee annuity programs to ensure there is no loss of interest earnings . This bill would ensure that amounts payable by an employer on behalf of an employee be transmitted on, and credited as of, the fifth day after the employee is paid for that pay period.

A-3025, sponsored by Assemblymen Jerry Green (D- Middlesex/Somerset/Union) and John Kelly (R-Bergen/Essex/Passaic) and Senators Andrew Ciesla (R-Monmouth/Ocean) and John Matheussen (R-Camden/Gloucester), makes various changes to the "Map Filing Law." The bill eliminates the requirement that outside tract line monuments be installed by the developer prior to filing a map and it requires the developer to post a guarantee, to ensure that that developer eventually installs the outbound monuments.

A-307, sponsored by Assemblywoman Nia Gill (D-Essex) and LeRoy J. Jones, Jr. (D-Essex), allows senior citizens with personal lines of insurance to designate third parties to receive insurance cancellation and nonrenewal notices. Envelopes including such information must be labeled clearly "Important Insurance Policy Information; Open Immediately."

A-2636, sponsored by Assembly Members Anthony Impreveduto (D- Bergen/Hudson) and Joseph R. Malone III (R- Burlington/Monmouth/Ocean), eliminates prohibition against a school official action on certain matters. The bill specifically defines "personal involvement" and provides that no school official can act in his official capacity in any matter where he or a member of his immediate family has a personal involvement that is or creates some benefit to the official or his family member.

A-2050, sponsored by Assembly Members Nicholas Felice (R-Bergen/Passaic) and Carol Murphy (R- Essex/Morris/Passaic) and Senator Peter Inverso (R-Mercer/Middlesex), clarifies sales and use tax imposition upon prepaid telephone calling cards. The bill requires that sellers collect sales tax for the value of the card and remit it to the state.

A-2255, sponsored by Assemblymen Christopher "Kip" Bateman (R- Morris/Somerset) and Neil Cohen (D-Union) and Senator Peter Inverso (R-Mercer/Middlesex), makes certain changes in the "New Jersey Licensed Lenders Act." The bill changes the definition of "principal amount" as applied to secondary mortgage loans. The bill prohibits including the amount of discount points in the amount to be financed. In addition, the bill increases the cap on the application fee for sales finance companies from \$300 to \$500.

A-2302, sponsored by Assemblymen Nicholas Asselta (R-Cape May/Atlantic/Cumberland) and Jack Gibson (R-Cape May/Atlantic/Cumberland) and Senators James Cafiero (R-Cape May/ Atlantic/Cumberland) and John Matheussen (R-Camden/Gloucester), provides immunities and other benefits to personnel who participate in search and rescue teams. The bill also ensures that members of search and rescue teams accrue their employment benefits while working with the teams.

A-2393, sponsored by Assemblymen Christopher "Kip" Bateman (R- Morris/Somerset) and Neil Cohen (D-Union) and Senator Walter Kavanaugh (R-Morris/Somerset), simplifies certain banking procedures to conform the state's laws to federal ones.

A-2469, sponsored by Assembly Speaker Jack Collins (R-Salem/Cumberland/Gloucester) and Assemblyman Neil Cohen (D-Union), makes permanent the \$5 instant rebate program for purchases of trigger locks that the Governor introduced as part of her anti- school violence initiatives.

A-2806, sponsored by Assemblymen Alan Augustine (R-Middlesex/Morris/Somerset/Union) and Christopher "Kip" Bateman (R- Morris/Somerset) and Senator Walter Kavanaugh (R-Morris/ Somerset), provides standards for retention of records of certain financial institutions. The bill will assist regulators in their supervisory role as well as prevent fraud against financial institutions.

A-3040, sponsored by Assemblymen Paul DiGaetano (R-Bergen/Essex/Passaic) and Neil Cohen (D- Union), clarifies the tenant rebate provisions of the NJ SAVER and Homestead Rebate Act. The clarification ensures that benefits provided to tenants who are 65 years of age or older, or who are eligible to claim a deduction as a blind or disabled taxpayer, are equal to the benefits provided to other eligible tenants.

A-722, sponsored by Assembly Members Paul Kramer (R-Mercer/Middlesex) and Barbara Wright (R-Mercer/Middlesex), establishes a regulatory scheme for certain private facilities under contract with

the Department of Corrections. The bill enhances communications between halfway houses and municipal officials and residents and supplements the criteria used to determine whether an inmate is eligible for a halfway house. Primarily, the bill establishes: community relations advisory boards, a procedure for notifying local law enforcement officials of an inmates transfer to their community, supplements the department's regulations regarding the procedure for reporting an escape and codifies and supplements the department's regulations that set forth criteria used to determine whether an inmate is eligible for a halfway house.