

54:4-6.3

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(Tenants
Property Tax
Rebate Act--
amend)

LAWS OF: 1991

CHAPTER: 65

Bill No: S2946

Sponsor(s): Lynch

Date Introduced: October 1, 1990

Committee: Assembly: Housing

Senate: County & Municipal Government

Amended during passage: Yes Amendments during passage
denoted by asterisks.

Date of Passage: Assembly: January 31, 1991

Senate: December 6, 1990

Date of Approval: March 18, 1991

Following statements are attached if available:

Sponsor statement: Yes

Committee Statement: Assembly: Yes

Senate: Yes

Fiscal Note: No

Veto Message: No

Message on signing: Yes

Following were printed:

Reports: No

Hearings: No

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[FIRST REPRINT]

SENATE, No. 2946

STATE OF NEW JERSEY

INTRODUCED OCTOBER 1, 1990

By Senator LYNCH

1 AN ACT concerning property tax rebates to tenants and
2 amending P.L.1976, c.63.

3

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

6 1. Section 2 of P.L.1976, c.63 (C.54:4-6.3) is amended to read
7 as follows:

8 2. As used in this act unless the context clearly indicates a
9 different meaning:

10 a. "Qualified real rental property" means [any real property
11 containing a mobile home park or two or more spaces which are
12 rented or leased or offered for rent or lease for occupancy by
13 mobile homes, or] any building or structure or complex of
14 buildings or structures in which housing units are rented or leased
15 or offered for rental or lease for residential purposes except
16 hotels, motels or other guesthouses serving transient or seasonal
17 guests, residents of a residential cooperative, mutual housing
18 corporation or continuing care retirement community who are
19 entitled to a homestead rebate pursuant to section 1 of P.L.1976,
20 c.72 (C.54:4-3.80), and owner-occupied structures of three units
21 or less.

22 b. "Property tax reduction" means [0.65 times] the difference
23 between the amount of property tax paid or payable in any year
24 on any qualified real rental property, exclusive of improvements
25 not included in the assessment on the real property for the base
26 year, and the amount of property tax paid in the base year, but
27 such calculations for the property tax reduction shall exclude
28 reductions resulting from judgments entered by county boards of
29 taxation, the tax court, or by courts of competent jurisdiction.
30 "Property tax reduction" shall also include [0.65 times] any
31 rebate or refund of school property taxes which may be provided
32 pursuant to P.L.1976, c.113. "Property tax reduction" shall not
33 include any amount in excess of that which is identified herein.
34 Any such amount shall be retained by the property owner.

35 c. "Base year" means[, for qualified real rental property
36 rented or leased or offered for rent or lease on the effective date
37 of this act, the calendar year prior to the year in which this act
38 takes effect, and for qualified real rental property which is first
39 rented or leased or offered for rent or lease after the effective

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:

¹ Senate floor amendments adopted November 19, 1990.

1 date of this act, the calendar year in which it is first offered for
2 rent or lease] ¹[the calendar year prior to the year for which an
3 owner of qualified real rental property is required to provide a
4 property tax rebate to the tenants in accordance with the
5 provisions of section 3 of P.L.1976, c.63 (C.54:4-6.4)], for
6 qualified real rental property rented or leased or offered for rent
7 or lease on or after the effective date of this act, the tax year
8 prior to any year in which the property tax on that property is
9 decreased from the 1990 tax year or decreased from any tax year
10 since the 1990 tax year, whichever tax year results in the largest
11 property tax decrease¹.

12 (cf: P.L.1987, c.66, s.3)

13 2. This act shall take effect immediately.

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HOUSING AND CONSTRUCTION

17

18 Changes certain definitions in "Tenants' Property Tax Rebate
19 Act."

1 rent or lease] the calendar year prior to the year for which an
2 owner of qualified real rental property is required to provide a
3 property tax rebate to the tenants in accordance with the
4 provisions of section 3 of P.L.1976, c.63 (C.54:4-6.4).

5 (cf: P.L.1987, c.66, s.3)

6 2. This act shall take effect immediately.

7

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STATEMENT

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11 This purpose of this bill is to change the base year in the
12 "Tenants' Property Tax Rebate Act," P.L.1976, c.63 (C.54:4-6.2
13 et seq.). Currently, the base year is either calendar year 1975 for
14 property rented prior to August 17, 1976, or for property rented
15 after that date, the calendar year in which it is first offered for
16 rent. The bill changes the definition of "base year" to be the
17 calendar year prior to the year in which a rebate is required to be
18 given pursuant to the "Tenants' Property Tax Rebate Act." The
19 bill also requires that the entire property tax rebate be passed on
20 to the tenants instead of the current 65%.

21 This bill also removes mobile home parks from the definition of
22 "qualified real rental property."

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HOUSING AND CONSTRUCTION

26

27 Changes certain definitions in "Tenants' Property Tax Rebate
28 Act."

ASSEMBLY HOUSING COMMITTEE

STATEMENT TO

[FIRST REPRINT]

SENATE, No. 2946

STATE OF NEW JERSEY

DATED: JANUARY 17, 1991

The Assembly Housing Committee reports Senate Bill No. 2946(1R) favorably, without amendment.

This bill amends the "Tenants' Property Tax Rebate Act," P.L.1976, c.63 (C.54:4-6.2 et seq.), under which landlords are required to pass on to their tenants any reductions in property taxes upon a residential rental property, in the following ways:

(1) It requires that all, rather than 65 per cent of any reduction be so passed on;

(2) It changes the base year upon which the amount of the reduction is calculated to either (A) 1990 or (B) any subsequent year (preceding the year for which the pass-on is required) in which the tax was higher than in 1990. The base year at present is either (A) 1975 or (B) the subsequent year upon which the property first went on the rental market;

(3) It deletes mobile home parks from the category of "qualified real rental property" for which the rebate is required.

SENATE COUNTY AND MUNICIPAL
GOVERNMENT COMMITTEE

STATEMENT TO

SENATE, No. 2946

STATE OF NEW JERSEY

DATED: OCTOBER 15, 1990

The Senate County and Municipal Government Committee reports favorably Senate Bill No. 2946.

Senate Bill No. 2946 changes the base year in the "Tenants' Property Tax Rebate Act," P.L.1976, c.63 (C.54:4-6.2 et seq.). Currently, the base year is either calendar year 1975 for property rented prior to August 17, 1976, or for property rented after that date, the calendar year in which it is first offered for rent. The bill changes the definition of "base year" to be the calendar year prior to the year in which a rebate is required to be given pursuant to the "Tenants' Property Tax Rebate Act." The bill also requires that the entire property tax rebate be passed on to the tenants instead of the current 65%.

This bill also removes mobile home parks from the definition of "qualified real rental property."