

54:4-3.92

LEGISLATIVE HISTORY CHECKLIST

RISA 54:4-3.92 (Annual single payment date for homestead tax rebate)

LAWS OF 1977 CHAPTER 356

Bill No. S1704

Sponsor(s) Garramore

Date Introduced October 7, 1976

Committee: Assembly -----

Senate Revenue, Finance & Appropriations

Amended during passage Yes No Senate Committee substitute enacted

Date of Passage: Assembly January 9, 1978

Senate Dec. 15, 1977

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Following statements are attached if available:

Sponsor statement Yes ~~No~~

Committee Statement: Assembly ~~Yes~~ No

Senate ~~Yes~~ No

Fiscal Note ~~Yes~~ No

Veto message ~~Yes~~ No

Message on signing ~~Yes~~ No

Following were printed:

Reports ~~Yes~~ No

Hearings ~~Yes~~ No

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356
APPROVED 1-31-78

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 1704

STATE OF NEW JERSEY

ADOPTED DECEMBER 1, 1977

AN ACT to amend "An act concerning rebates from taxation, providing homestead rebates for citizens and residents of this State, and supplementing chapter 4 of Title 54 of the Revised Statutes," approved August 30, 1976 (P. L. 1976, c. 72) as said title was amended by P. L. 1977, c. 17.

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

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

3 13. a. After review, the director may prepare a list of persons
4 entitled to the rebate, together with the respective amounts due.
5 Such lists may be forwarded to the State Treasurer, the Director
6 of the Division of Budget and Accounting and to such other offi-
7 cials as he may deem appropriate. The director may inspect all
8 records in the office of the collector and the assessor with respect
9 to claims and allowances for homestead rebates.

10 b. Each tax collector shall, on or before **[February 1 and June**
11 **30]** *March 31, 1978 and March 31* of each year *thereafter*, furnish
12 the director with a list of delinquent property tax owners in his
13 district for taxes due and payable for the year immediately pre-
14 ceding and the amounts of such delinquencies. No homestead pay-
15 ment under this act shall be made to any property owner while
16 such delinquency remains, provided however that for the purposes
17 of this act, property which is on appeal and for which the statutory
18 percentage of the tax has been paid shall not be regarded as de-
19 linquent.

20 c. Where delinquencies remain on **[February 1 or June 30]**
21 *March 31*, **[as the case may be]** the director shall ascertain the
22 amounts of homestead rebates withheld because of such delin-
23 quencies in each municipality in the State, and shall certify such
24 amounts to the State Treasurer as soon thereafter as may be
25 practicable.

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

26 On or before [June 1 and on or before November 1] *August 1*,
 27 the director shall notify each taxpayer whose homestead rebate
 28 has been withheld because of delinquency that the amount of such
 29 rebate to which he otherwise would have been entitled will be sent
 30 to the tax collector in his municipality to be credited against his
 31 delinquency.

32 d. The State Treasurer [semi-annually] *annually* on or before
 33 [April 1 and on or before October 1] *July 15* commencing in the
 34 year [1977] *1978*, upon the certification of the Director of the Di-
 35 vision of Taxation and upon the warrant of the State Comptroller,
 36 shall pay and distribute[, in equal installments,] the amount of
 37 the homestead rebate to each qualified property owner as certified
 38 by the director[, except that for the tax year 1977 the homestead
 39 rebate shall be paid to qualified residents of cooperatives and
 40 mutual housing corporations as defined in section 1. of this amend-
 41 atory act, in full on October 1, 1977].

42 e. Upon certification by the director as to the amount of rebates
 43 withheld because of delinquency in the several municipalities, the
 44 State Treasurer upon the warrant of the State Comptroller, shall
 45 pay such amount on or before [June 1 and on or before Novem-
 46 ber 1] *September 1* commencing in the tax year [1977] *1978* to the
 47 tax collector in each municipality.

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

1 2. This act shall take effect immediately.

STATEMENT

This amendment provides for a single annual payment date for the homestead tax rebate which will be midway between the present payment dates. The July 15 payment date will delay the payment of 1/2 of the amount of rebates to be paid during 1978 by approximately 3 months and expedite the payment of 1/2 of the rebate amount by approximately 3 months. The payment date change provided by this bill will also result in a one-time State budget savings of approximately \$130 million.

It is also estimated that this single payment date procedure will result in a substantial annual savings in postage, printing, data processing, and other administrative expenses. It is estimated that the savings will amount to approximately \$400,000.00 annually.

SENATE, No. 1704

STATE OF NEW JERSEY

INTRODUCED OCTOBER 7, 1976

By Senator GARRAMONE

Referred to Committee on Revenue, Finance and Appropriations

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

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

1 1. The title of P. L. 1976, c. 72 is amended to read as follows:

2 An act concerning **[exemptions]** *rebates* from taxation, provid-
3 ing for homestead **[exemptions]** *rebates* for citizens and residents
4 of this State, and supplementing chapter 4 of Title 54 of the Revised
5 Statutes.

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

3 1. a. Every citizen and resident of this State shall be entitled,
4 annually, to a homestead **[exemption]** *rebate* on a dwelling house
5 and the land upon which such dwelling house is situated, which
6 constitutes the place of his domicile and which is owned and used
7 by him as his principal residence. If such citizen and resident of
8 this State is of the age of 65 or more years, or is less than 65 years
9 of age yet permanently and totally disabled, as "disabled" is
10 defined in the "New Jersey Gross Income Tax Act" (54A:1-2f), or
11 is the surviving spouse of a deceased citizen and resident of this
12 State who during his lifetime received a real property tax deduc-
13 tion pursuant to this act or P. L. 1963, c. 172 (C. 54:4-8.40 et seq.),
14 upon the same conditions, with respect to real property, notwith-

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

15 standing that said surviving spouse is under the age of 65 and is
 16 not permanently and totally disabled, provided that said surviving
 17 spouse was 55 years of age or older at the time of death of said
 18 citizen and resident and remains unmarried, said taxpayer shall
 19 annually, upon proper claim being made therefor, be entitled to an
 20 additional exemption as set forth in section 2 of this act. The said
 21 requirement of ownership shall be satisfied by the holding of the
 22 beneficial interest where the legal title thereto is held by another
 23 for the benefit of the said citizen and resident.

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

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

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

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

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

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

3 3. No homestead **[exemption]** *rebate*, as provided herein, shall
 4 be allowed except upon written application therefor, which applica-

5 tion shall be on a form prescribed by the Director of the Division
6 of Taxation, and provided for the use of claimants hereunder by
7 the tax assessor of the municipality constituting the taxing district
8 in which such claim is to be filed, and the application has been
9 approved as provided in this act. Each assessor may at any time
10 inquire into the right of a claimant to the continuance of a home-
11 stead **[exemption]** *rebate* hereunder and for that purpose he may
12 require the filing of a new application or the submission of such
13 proof as he shall deem necessary to determine the right of the
14 claimant to continuance of such **[exemption]** *rebate*.

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

3 4. a. An application for a homestead **[exemption]** *rebate* here-
4 under shall be filed with the assessor of the taxing district on or
5 before **[November 1, 1976]** *December 1, 1976* and shall reflect the
6 prerequisites for exemption as of October 1, **[1975]** *1976*, and **[on**
7 **or before September 1 annually]** thereafter **[and]** shall reflect the
8 prerequisites for **[exemption]** *rebate* on October 1 of the respec-
9 tive pretax year; provided, however, that the director may, by
10 rule, waive the requirement for filing an annual application for
11 any year or years subject to any limitations and conditions he may
12 deem appropriate. If an application is approved by the assessor,
13 he shall allow a homestead **[exemption]** *rebate* on the real property
14 assessed to the claimant as described therein and shall indicate
15 upon the assessment list and duplicates or as the director may
16 otherwise prescribe the approval thereof in such manner as shall
17 be prescribed by rules of the Director of the Division of Taxation
18 together with the proportionate share of such property deemed to
19 be owned by the claimant for the purposes of this act if he is not
20 the sole owner thereof. In addition, the director may require such
21 approval to be indicated and further tax duplicate to be filed with
22 him on or before January 10 of the tax year.

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

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

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

1 7. Section 6 of P. L. 1976, c. 72 (C. 54:4-3.85) is amended to read
 2 as follows:

3 6. On or before February 15, 1977 and on or before February
 4 15 of each year thereafter, each county board of taxation shall,
 5 on a form prescribed by the director certify to the director from
 6 the tax lists certified with it for each taxing district for the current
 7 year such information as the director may prescribe including the
 8 following: (a) number of homestead **[exemptions]** *rebates*
 9 allowed for the current year; (b) number of additional **[exemp-**
 10 **tions]** *rebates* allowed for surviving spouse; (c) number of addi-
 11 tional **[exemptions]** *rebates* allowed for senior citizens; (d) number
 12 of additional **[exemptions]** *rebates* allowed for totally disabled
 13 citizens under 65 years of age; (e) total dollar amount separately
 14 of **[exemptions]** *rebates* in (a), (b), (c) and (d); (f) the totals for
 15 (a), (b), (c), (d) and (e) above by district and for the county as
 16 a whole.

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

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

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

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

3 8. The director may promulgate such rules and regulations and
 4 prescribe such forms as he shall deem necessary to implement this
 5 act. He may require verification of eligibility or noneligibility for
 6 a homestead [exemption] *rebate* where doubt exists. The director
 7 for the taking of any affidavit or the preparation of any form
 8 a claim for a homestead [exemption] *rebate* for a reasonable
 9 period. In such case, the application shall be processed and pay-
 10 ments and credits made in accordance with the procedures estab-
 11 lished in the case of applications timely filed. He may, in his
 12 discretion, eliminate the necessity for sworn application, in which
 13 event all declarations by the claimant shall be considered as if
 14 made under oath and the claimant, as to false declarations, shall
 15 be subject to the penalties as provided by law for perjury.

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

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

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

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

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

3 12. The assessor shall determine the equalized value of a prop-
 4 erty by using the equalization ratio appearing in the tables of
 5 equalized valuation promulgated by the director on October 1 of
 6 the pretax year pursuant to P. L. 1954, c. 86, and applying such
 7 ratio to the assessed valuation of the property claimed for home-
 8 stead **[exemption]** *rebate*. In the case of a revaluation or complete
 9 reassessment of the real property of a municipality, the ratio shall
 10 be determined to be the percentage level of the taxable value of
 11 real property established by the county board of taxation for that
 12 year pursuant to section 3 of P. L. 1960, c. 51 (C. 54:4-2.27).

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

3 13. a. After review, the director shall certify the amount due
 4 each taxing district for homestead **[exemptions]** *rebates* and shall
 5 certify these amounts to the State Treasurer on or before March
 6 15, 1977, and on or before March 15, of each year thereafter. The
 7 director may inspect all records in the office of the collector and
 8 the assessor with respect to claims and allowances for homestead
 9 **[exemptions]** *rebate*.

10 b. Each tax collector shall, on or before January **[1]** 15 of each
 11 year furnish the tax assessor of his taxing district with a list of
 12 delinquent property tax owners and the assessor shall indicate by
 13 symbol on the tax list and duplicates prior to submitting the same
 14 to the director the fact of such delinquency. No homestead pay-
 15 ment under this act shall be made to any property owner while such
 16 delinquency remains.

17 The State Treasurer **[semiannually]** on or before April 1 **[and**
 18 on or before October 1] commencing in the year 1977, upon the
 19 certification of the Director of the Division of Taxation and upon
 20 the warrant of the State Comptroller, shall pay and distribute~~[~~, in
 21 equal quarterly installments,] the *full* amount of the homestead
 22 **[exemption]** *rebate* to each qualified property owner as certified
 23 by the director.

1 14. There is appropriated to the Department of the Treasury
2 the sum of \$130,000,000.00 from the New Jersey State Gross Income
3 Tax for the payment of homestead rebates in accordance with
4 this act.

1 15. Section 11 of P. L. 1976, c. 72 (C. 54:4-3.90) is repealed.

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

STATEMENT

This bill amends the homestead exemption law to provide for the payment of a single homestead rebate in April of each year based on property taxes paid in each preceding year.