SENATE CONCURRENT
RESOLUTION No. 37

STATE OF NEW JERSEY
216th LEGISLATURE
PRE-FILED FOR INTRODUCTION IN THE 2014 SESSION

Sponsored by:
Senator JENNIFER BECK
District 11 (Monmouth)
Senator STEPHEN M. SWEENEY
District 3 (Cumberland, Gloucester and Salem)

SYNOPSIS
Proposed constitutional amendment providing for reduced property taxes for certain privately-held lands permanently preserved as open space.

CURRENT VERSION OF TEXT
Introduced Pending Technical Review by Legislative Counsel
A CONCURRENT RESOLUTION proposing to amend Article VIII, Section I, paragraph 1 of the New Jersey Constitution.

BE IT RESOLVED by the Senate of the State of New Jersey (the General Assembly concurring):

1. The following proposed amendment to the Constitution of the State of New Jersey is agreed to:

PROPOSED AMENDMENT

Amend Article VIII, Section I, paragraph 1 to read as follows:

1. (a) Property shall be assessed for taxation under general laws and by uniform rules. All real property assessed and taxed locally or by the State for allotment and payment to taxing districts shall be assessed according to the same standard of value, except as otherwise permitted herein, and such real property shall be taxed at the general tax rate of the taxing district in which the property is situated, for the use of such taxing district.

(b) (1) The Legislature shall enact laws to provide that the value of land, not less than 5 acres in area, which is determined by the assessing officer of the taxing jurisdiction to be actively devoted to agricultural or horticultural use and to have been so devoted for at least the 2 successive years immediately preceding the tax year in issue, shall, for local tax purposes, on application of the owner, be that value which such land has for agricultural or horticultural use.

(2) Any such laws shall provide that when land which has been valued in this manner for local tax purposes is applied to a use other than for agriculture or horticulture it shall be subject to additional taxes in an amount equal to the difference, if any, between the taxes paid or payable on the basis of the valuation and the assessment authorized hereunder and the taxes that would have been paid or payable had the land been valued and assessed as otherwise provided in this Constitution, in the current year and in such of the tax years immediately preceding, not in excess of 2 such years in which the land was valued as herein authorized.

(3) Such laws shall also provide for the equalization of assessments of land valued in accordance with the provisions hereof of this subparagraph and for the assessment and collection of any additional taxes levied thereupon and shall include such other provisions as shall be necessary to carry out the provisions of this amendment subparagraph.

(c) (1) The Legislature shall enact laws to provide that the value of land, not less than 5 acres in area, that was, prior to the donation of all unrealized and unexpended rights to development or use as

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.
provided pursuant to this subsubparagraph, capable of being legally
subdivided into more than one parcel and developed under existing
zoning and other land use laws and regulations, and which is
determined by the assessing officer of the taxing jurisdiction to be
held for conservation or public outdoor recreation use, shall, for
local tax purposes, on application of the owner, be (i) the value
which such land has for conservation or public outdoor recreation
use, as appropriate, or, (ii) not more than 50% of the restricted
value of the land, whichever is less. The restricted value of the land
shall be its value after donation of all unrealized and unexpended
rights to development or use, as provided pursuant to this
subsubparagraph, and shall be based upon the equalized countywide
average value for similarly restricted property. All such laws shall
be limited in application to land on which all unrealized and
unexpended rights to development or use, other than for
conservation or public outdoor recreation, have been donated
without charge and conveyed by covenant, deed restriction, or other
instrument to the State, a county or municipality, or a charitable
conservancy as defined by law, resulting in the permanent
dedication and preservation of the land for conservation or public
outdoor recreation purposes.

(2) Such laws shall also provide for the equalization of
assessments of land valued in accordance with the provisions of this
subparagraph and for the assessment and collection of any
additional taxes levied thereupon and shall include such other
provisions as shall be necessary to carry out the provisions of this
subparagraph.

(3) If land that is to be valued in the manner authorized pursuant
to this subparagraph was valued in the manner authorized pursuant
to subparagraph (b) of this paragraph in the tax year immediately
preceding the tax year in which the land qualifies for valuation
pursuant to this subparagraph, the land shall not be subject to the
additional taxes required pursuant to subsubparagraph (2) of
subparagraph (b) of this paragraph.
(cf: Article VIII, Section I, paragraph 1 amended effective
December 5, 1963)

2. When this proposed amendment to the Constitution is finally
agreed to pursuant to Article IX, paragraph 1 of the Constitution, it
shall be submitted to the people at the next general election
occurring more than three months after the final agreement and
shall be published at least once in at least one newspaper of each
county designated by the President of the Senate, the Speaker of the
General Assembly and the Secretary of State, not less than three
months prior to the general election.
3. This proposed amendment to the Constitution shall be submitted to the people at that election in the following manner and form:

There shall be printed on each official ballot to be used at the general election, the following:

a. In every municipality in which voting machines are not used, a legend which shall immediately precede the question as follows:

If you favor the proposition printed below make a cross (X), plus (+), or check (☑) in the square opposite the word "Yes." If you are opposed thereto make a cross (X), plus (+) or check (☑) in the square opposite the word "No."

b. In every municipality the following question:
<table>
<thead>
<tr>
<th></th>
<th>CONSTITUTIONAL AMENDMENT TO REDUCE PROPERTY TAXES FOR CERTAIN LANDS PERMANENTLY PRESERVED AS OPEN SPACE</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>Do you approve amending the Constitution to require reduced local property taxes for certain privately-held land that is permanently preserved as open space? The amendment requires the Legislature to enact laws setting the value of this land for local property tax purposes. The land must be at least five acres in area and permanently preserved for conservation or public outdoor recreation use. The development rights of the land must be donated to a governmental or nonprofit entity. Before the land is preserved as open space, subdivision and development of the land must be possible under existing land use laws.</td>
</tr>
</tbody>
</table>
| NO  | INTERPRETIVE STATEMENT  
This amendment would require the Legislature to enact laws to reduce local property taxes for privately-held land preserved as open space. To qualify for the reduced property taxes, the land must be at least five acres in area. The landowner must donate all development rights on the land to a governmental or nonprofit entity so that the land is permanently preserved as open space for conservation or public outdoor recreation. Before the land is preserved as open space, subdivision and development of the land must be possible under existing land use laws. The value of the preserved land for property tax purposes would be set in one of two ways, whichever results in a lower value. The first option is to compute property taxes on the value the land has for conservation or recreational use. The second option is to compute property taxes on not more than 50% of the land’s restricted value after donation of the development rights. |
This proposed constitutional amendment would require the Legislature to enact laws providing for reduced property taxes for privately-held land permanently preserved as open space. To qualify for the reduced property taxes, the land must be (1) at least five acres in area, and (2) able to be subdivided into more than one parcel and developed under existing zoning and other land use laws and regulations prior to its preservation as open space. In addition, the landowner must donate all development rights on the land to an appropriate governmental or nonprofit entity, so that the land is permanently preserved as open space for conservation or public outdoor recreation purposes. Such preserved land would be valued for property tax purposes at the value it has for conservation or recreation use or at not more than 50% of the restricted value of the land after donation of the development rights, whichever is less.

This proposed constitutional amendment also provides that in the event that land was farmland assessed in the tax year immediately prior to qualifying for reduced taxation under the open space preservation program created by the proposed constitutional amendment, the landowner will not have to pay any farmland assessment rollback taxes for changing the use of the land from agriculture or horticulture to conservation or public outdoor recreation.