

**ASSEMBLY BILL NO. 312**  
**(First Reprint)**

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Assembly Bill No. 312 (First Reprint) with my recommendations for reconsideration.

This bill would require the Division of Local Government Services ("LGS") in the Department of Community Affairs to post on its website certain property tax data for local government units, as well as information regarding State property tax relief programs, for the current calendar year and the prior ten years. The bill gives LGS discretion to determine what specific information should be provided that is "useful for the public's understanding of the individual components that make up each taxpayer's property tax bill." However, the bill also specifically directs LGS to publish the amount of the average homestead credit payment credited against the average municipal property tax bill and the "net average residential property tax bill."

This bill is the Legislature's second attempt to enact a law that, although purporting to espouse transparency, would require the publication of a flawed calculation that will convey confusing and misleading information regarding property taxes. I conditionally vetoed this bill last session, and I am compelled to do so again today.

I fully support increasing transparency, as well as making available information on property taxes and how they are utilized by local government entities. To that end, I am pleased that the Legislature incorporated into this bill a component of my prior conditional veto by requiring LGS to include information on its website about important State property tax relief programs.

Unfortunately, and contrary to the stated purpose of the bill, it still requires LGS to provide misleading information regarding the homestead credit program and property taxes in a municipality. Specifically, the bill mandates that LGS provide a "net average residential property tax bill" that "shall" be calculated by subtracting the average homestead credit payment from the average residential property tax bill - a proverbial "apples to oranges" comparison. While the average total property tax is based on all taxpayers in the municipality, only a subset of those taxpayers actually receives the homestead credit. Thus, simple math dictates that this bill's required calculation does not yield a true "net average," but instead results in irrelevant and nonsensical data.

Because I am certain the Legislature did not intend to confuse the State's property taxpayers by requiring the publication of misleading information, I am recommending eliminating the deceptive "net average" property tax calculation, while adding a requirement that LGS include other information about the homestead credit program. Additionally, I am recommending that information regarding each municipality's budget be provided to increase visibility for taxpayers into where and how their property tax dollars are being spent. Collectively, these changes not only correct the bill's deficiencies, but also, consistent with the bill's stated purpose, enhance transparency and increase the amount of meaningful data readily available to the public.

Accordingly, I herewith return Assembly Bill No. 312 (First Reprint) and recommend that it be amended as follows:

Page 2, Title, Line 1: After "tax" insert "and local government budget"

Page 2, Section 1, Line 11: After "data" insert ", based on information provided by the Division of Taxation in the Department of the Treasury,"

Page 2, Section 1, Line 12:

After "years." insert "The division shall also post on its web page a summary of local government budget data for the current calendar year, and for each of the immediately preceding 10 calendar years, except that the first calendar year such data shall be published for is calendar year 2015."

Page 2, Section 1, Line 21:

After "bill" insert ", the number of residential taxpayers who received a homestead credit payment, and the amount of the average homestead credit payment"

Page 2, Section 1, Line 22:

Delete ", the amount of the average homestead"

Page 2, Section 1, Lines 23-26:

Delete in their entirety

Page 2, Section 1, Line 27:

Delete "payment"

[seal]

Respectfully,

/s/ Chris Christie

Governor

Attest:

/s/ Thomas P. Scrivo

Chief Counsel to the Governor