

ASSEMBLY, No. 1996

STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman JON M. BRAMNICK

District 21 (Morris, Somerset and Union)

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District 26 (Essex, Morris and Passaic)

Co-Sponsored by:

Assemblymen Space, Wirths and Assemblywoman N.Munoz

SYNOPSIS

Increases amount of, and income limit for eligibility to receive, senior citizens' and disabled persons' property tax deduction.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning the senior citizens' and disabled persons'
2 property tax deduction and amending P.L.1963, c.172.

3

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

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7 1. Section 2 of P.L.1963, c.172 (C.54:4-8.41) is amended to
8 read as follows:

9 2. Every person, a citizen and resident of this State of the age
10 of 65 or more years, or less than 65 years of age who is permanently
11 and totally disabled, having an annual income not in excess of the
12 limitations provided in this section and residing in a dwelling house
13 owned by him which is a constituent part of his real property or
14 residing in a dwelling house owned by him which is assessed as real
15 property but which is situated on land owned by another or others,
16 or residing as a tenant shareholder in a cooperative or mutual
17 housing corporation, shall be entitled, annually, on proper claim
18 being made therefor, to a deduction against the tax or taxes assessed
19 against such real property, to an amount not exceeding the amount
20 of said tax, the proportionate share of said tax attributable to his
21 unit, or the sum provided in this section, whichever is the lesser, but
22 no such deduction from taxes shall be in addition to any other
23 deduction or exemption from taxes to which said person may be
24 entitled, except a veteran's deduction provided under P.L.1963,
25 c.171 (C.54:4-8.10 et seq.). A citizen and resident granted a
26 deduction pursuant to this section may receive in addition any
27 homestead rebate or credit provided by law.

28 For the purposes of this section, the annual income limitation
29 shall be: \$5,000.00 for any year prior to 1981; \$8,000.00 for the
30 year 1981; \$9,000.00 for the year 1982; **[and]** \$10,000.00 for
31 **[year]** the years 1983 through 2014, and \$25,000 for the year 2015
32 and each year thereafter.

33 The sum deducted pursuant to this section shall not exceed: in
34 any year prior to 1981, \$160.00; in the year 1981, \$200.00; in the
35 year 1982, \$225.00; **[and]** in the **[year]** years 1983 [and in each
36 year thereafter] through 2014, \$250.00; and in 2015 and in each
37 year thereafter, \$500.00.

38 For the purposes of this act:

39 a. The income of a married person shall be deemed to include
40 an amount equal to the income of the spouse during the applicable
41 income year, except for such portion of that year as the two were
42 living apart in a state of separation, whether under judicial decree or
43 otherwise.

44 b. The requirement of ownership shall be satisfied by the
45 holding of a beneficial interest in the dwelling house where legal

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 title thereto is held by another who retains a security interest in the
2 dwelling house.

3 (cf: P.L.1989, c.252, s.2)

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5 2. This act shall take effect on the 30th day next following the
6 approval by the voters of the State of a constitutional amendment to
7 revise the senior and disabled property tax deduction as provided
8 for herein.

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STATEMENT

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13 This bill increases both the amount of the annual senior citizens'
14 and disabled persons' property tax deduction, and the annual
15 income limit for eligibility to receive that annual deduction.

16 Currently, the Constitution, and the enabling statute,
17 N.J.S.A.54:4-8.41, limits to \$10,000 the amount of income that can
18 be earned annually in order to qualify for the senior citizens' and
19 disabled persons' property tax deduction, and limits the amount of
20 that property tax deduction to \$250 per year.

21 This bill would increase the annual income limit to \$25,000, and
22 the amount of the deduction to \$500, beginning in 2015. However,
23 the provisions of the bill would only take effect on the 30th day
24 immediately following the approval by the voters of the State of a
25 constitutional amendment to revise the income limit, and the
26 amount of the property tax deduction, as set forth in the bill.

27 The income limit was last increased in 1983, from \$9,000 to
28 \$10,000, and the amount of the property tax deduction also was last
29 increased in 1983, from \$225 to \$250.s