

**ASSEMBLY, No. 2926**

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**STATE OF NEW JERSEY**

**219th LEGISLATURE**

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INTRODUCED FEBRUARY 20, 2020

**Sponsored by:**  
**Assemblyman JAY WEBBER**  
**District 26 (Essex, Morris and Passaic)**

**SYNOPSIS**

Requires fire districts, school districts, and county governments to share in burden of property assessment appeal refunds.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning property tax refunds required by successful  
2 property assessment appeals, amending various sections of  
3 statutory law and supplementing chapter 4 of Title 40A of the  
4 New Jersey Statutes.

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

8  
9 1. (New section) a. The total of the amount of property tax  
10 appeal refunds paid by a municipality during a tax year shall be  
11 apportioned by the municipal tax collector between the  
12 municipality, county, school district, fire districts and any other  
13 taxing district operating within the boundaries of the municipality.

14 b. The tax collector shall send a notice to the county, school  
15 district, fire districts, and any other taxing district, setting forth  
16 their pro rata share of the property tax appeal refunds paid by the  
17 municipality during the tax year, for inclusion into their subsequent  
18 annual budgets.

19 c. In the year following the tax year in which the property tax  
20 appeal refunds were paid, the municipal tax collector shall deduct  
21 the applicable pro rata share from the amounts to be paid to the  
22 county and each school district, fire district, and any other taxing  
23 district, as required by N.J.S.40A:14-79, R.S.54:4-74, and  
24 R.S.54:4-75.

25  
26 2. N.J.S.40A:14-79 is amended to read as follows:

27 40A:14-79. Upon proper certification pursuant to section 9 of  
28 P.L.1979, c.453 (C.40A:14-78.5), the assessor of the municipality  
29 in which the fire district is situate shall assess the amount to be  
30 raised by taxation to support the district budget against the taxable  
31 property therein, in the same manner as municipal taxes are  
32 assessed and the said amount shall be assessed, levied and collected  
33 at the same time and in the same manner as other municipal taxes.

34 For the purposes of this section:

35 "District tax due" or "tax due" means the amount so assessed,  
36 less the district's proportionate share of the property taxes no longer  
37 owed by the municipality pursuant to the blue acres property tax  
38 exemption established by subsection b. of section 1 of  
39 P.L.2013, c.261 (C.54:4-3.3g); the county's proportionate share of  
40 the property taxes refunded by the municipality in the preceding tax  
41 year pursuant to subsection a. of section 1 of P.L. , c. (C. )  
42 (pending before the Legislature as this bill); and [less] any  
43 applicable credit established by subsection e. of section 1 of  
44 P.L.2013, c.261 (C.54:4-3.3g).

**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       The collector or treasurer of the municipality in which said  
2 district is situate shall pay over all district tax due to the treasurer or  
3 custodian of funds of said fire district as follows: on or before  
4 April 1, an amount equaling 21.25% of all tax due; on or before  
5 July 1, an amount equaling 22.5% of all tax due; on or before  
6 October 1, an amount equaling 25% of all tax due; and on or before  
7 December 31, an amount equaling the difference between the total  
8 of all tax due, and the total of the quarterly amounts of such moneys  
9 previously paid over to the fire district. These moneys are to be  
10 held and expended for the purpose of providing and maintaining  
11 means for extinguishing fires in such district.

12       Notwithstanding anything herein to the contrary, the municipal  
13 governing body may authorize, in the cash management plan  
14 adopted by it pursuant to N.J.S.40A:5-14, a schedule of payments  
15 of fire district tax due by which an amount greater than required on  
16 any of the first three payment dates cited herein may be paid over.  
17 The municipal governing body and board of fire commissioners  
18 may, by concurrent resolution, adopt a schedule of payments of fire  
19 district tax due by which an amount less than required on any of the  
20 first three payment dates cited herein may be paid over. Such  
21 resolution shall be included in the cash management plan adopted  
22 by the municipal governing body pursuant to N.J.S.40A:5-14.

23       The commissioners may also pay back, or cause to be paid back  
24 to such municipality, any funds or any part thereof paid to the  
25 treasurer or custodian of funds of such fire district by the collector  
26 or treasurer of the municipality, representing taxes levied for fire  
27 district purposes but not actually collected in cash by said collector  
28 or treasurer.

29 (cf: P.L.2013, c.261, s.2)

30

31       3. R.S.54:4-74 is amended to read as follows:

32       54:4-74. For the purpose of this section:

33       "County tax due" or "tax due" means the amount so assessed,  
34 less the county's proportionate share of the property taxes no longer  
35 owed by the municipality pursuant to the blue acres property tax  
36 exemption established by subsection b. of section 1 of  
37 P.L.2013, c.261 (C.54:4-3.3g); the county's proportionate share of  
38 the property taxes refunded by the municipality in the preceding tax  
39 year pursuant to subsection a. of section 1 of P.L. \_\_\_, c. (C. \_\_\_)  
40 (pending before the Legislature as this bill), and **less** any  
41 applicable credit established by subsection e. of section 1 of  
42 P.L.2013, c.261 (C.54:4-3.3g), but shall include all amounts  
43 collected by the county under agreements entered into by  
44 municipalities pursuant to the "Long Term Tax Exemption Law,"  
45 P.L.1991, c.431 (C.40A:20-1 et seq.).

46       The governing body of each municipality shall cause to be paid  
47 to the treasurer of the county, in four installments, the amount of  
48 county tax due, and the other county taxes required to be assessed

1 and raised in such municipality, on the fifteenth day of the month in  
2 which each installment of taxes shall become payable, except, that  
3 in those years when the third installment has been determined by  
4 the tax collector to be due after August 10, the installment shall be  
5 due no later than five days after the twenty-fifth day from when the  
6 tax bill was mailed or otherwise delivered pursuant to subsection a.  
7 of R.S.54:4-64, but no later than September 15. The amount to be  
8 payable as each of the first two installments shall be one-quarter of  
9 the total county tax due and one-quarter of the other total county  
10 taxes finally levied against the municipality for the preceding year,  
11 and the amount to be payable for the third and fourth installments  
12 shall be the county tax due, and for the other county taxes the full  
13 tax as levied, for the current year, less the amount charged as the  
14 first and second installments. The total amount thus found to be  
15 payable as the last two installments shall be divided equally for and  
16 as each installment. The governing body of each municipality shall  
17 cause to be paid to the county treasurer on December fifteenth of  
18 each year all of the taxes required to be assessed and raised by  
19 taxation in such taxing district for State school and other State  
20 purposes.

21 (cf: P.L.2015, c.247, s.2)

22  
23 4. R.S.54:4-75 is amended to read as follows:

24 For the purpose of this section:

25 "School tax due" or "tax due" means the amount so assessed, less  
26 the school district's proportionate share of the property taxes no  
27 longer owed by the municipality pursuant to the blue acres property  
28 tax exemption established by subsection b. of section 1 of  
29 P.L.2013, c.261 (C.54:4-3.3g); the county's proportionate share of  
30 the property taxes refunded by the municipality in the preceding tax  
31 year pursuant to subsection a. of section 1 of P.L. , c. (C. )  
32 (pending before the Legislature as this bill); and [less] any  
33 applicable credit established by subsection e. of section 1 of  
34 P.L.2013, c.261 (C.54:4-3.3g).

35 The governing body of each municipality shall pay over to the  
36 board secretary or treasurer of school moneys, as appropriate, in the  
37 case of school districts in which appropriations for school purposes  
38 are made by the inhabitants of the school district, within forty days  
39 after the beginning of the school year, twenty per centum (20%) of  
40 the moneys from school tax due, and thereafter, but prior to the last  
41 day of the school year, the balance of the moneys from school tax  
42 due for school purposes in such amounts as may be requested from  
43 time to time by the Board of Education, within thirty days after  
44 each request. The Board of Education shall not request any more  
45 money at any one time than shall be required for its expenditures  
46 for a period of eight weeks in advance; provided, however, that the  
47 Board of Education may at any time, but not earlier than fifteen  
48 days prior to the beginning of the school year, request sufficient

1 moneys to meet all interest and debt redemption charges maturing  
2 during the first forty days of the school year. The governing body  
3 may make payments of such moneys in advance of the time and in  
4 excess of the amounts required by this section. Notwithstanding  
5 provisions of this section to the contrary, in those years when the  
6 third installment of property taxes has been determined by the tax  
7 collector to be due after August 10, the installment shall be due no  
8 later than five days after the twenty-fifth day from when the tax bill  
9 was mailed or otherwise delivered pursuant to subsection a. of  
10 R.S.54:4-64, but no later than September 1.  
11 (cf: P.L.2013, c.261, s.4)

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13 5. This act shall take effect immediately.

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#### STATEMENT

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18 This bill requires county governments, school districts, fire  
19 districts and other taxing districts to share in the burden of paying  
20 for property tax refunds. Under current law, only the county shares  
21 in this burden with municipalities through the county tax  
22 equalization process. The bill requires the municipal tax collector  
23 to send a notice of the pro rata share of the property tax appeal  
24 refunds paid by the municipality during the tax year to the county,  
25 school districts and fire districts for inclusion into their annual  
26 budgets. In the year following the tax year in which the refunds  
27 were paid, the municipal tax collector is then required to deduct the  
28 applicable pro rata share of the property tax refunds from the  
29 amounts to be paid to the county and each school district and fire  
30 district as required by N.J.S.40A:14-79, R.S.54:4-74 and  
31 R.S.54:4-75.