

SENATE, No. 220

STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

SYNOPSIS

Makes total property tax exemption for 100% disabled veterans retroactive to effective date of determination of total disability; requires State to reimburse municipalities for reimbursement of property taxes paid to veteran.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



S220 DIEGNAN

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1 AN ACT concerning eligibility to receive the property tax exemption
2 granted to permanently and totally disabled veterans and
3 amending P.L.1948, c.259.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
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8 1. Section 1 of P.L.1948, c.259 (C.54:4-3.30) is amended to
9 read as follows:

10 1. a. The dwelling house and the lot or curtilage whereon the
11 same is erected, of any citizen and resident of this State, now or
12 hereafter honorably discharged or released under honorable
13 circumstances, from active service, in time of war, in any branch of
14 the Armed Forces of the United States, who has been or shall be
15 declared by the United States Veterans Administration or its
16 successor to have a service-connected disability from paraplegia,
17 sarcoidosis, osteochondritis resulting in permanent loss of the use of
18 both legs, or permanent paralysis of both legs and lower parts of the
19 body, or from hemiplegia and has permanent paralysis of one leg
20 and one arm or either side of the body, resulting from injury to the
21 spinal cord, skeletal structure, or brain or from disease of the spinal
22 cord not resulting from any form of syphilis; or from total
23 blindness; or from amputation of both arms or both legs, or both
24 hands or both feet, or the combination of a hand and a foot; or from
25 other service-connected disability declared by the United States
26 Veterans Administration or its successor to be a total or 100%
27 permanent disability, and not so evaluated solely because of
28 hospitalization or surgery and recuperation, sustained through
29 enemy action, or accident, or resulting from disease contracted
30 while in such active service, shall be exempt from taxation
31 retroactive to the effective date of the determination of total
32 disability by the United States Department of Veterans Affairs, on
33 proper claim made therefor and such exemption shall be in addition
34 to any other exemption of such person's real and personal property
35 which now is or hereafter shall be prescribed or allowed by the
36 Constitution or by law but no taxpayer shall be allowed more than
37 one exemption under **[this act]** P.L.1948, c.259 (C.54:4-3.30 et
38 seq.).

39 b. (1) The surviving spouse of any such citizen and resident
40 of this State, who at the time of death was entitled to the exemption
41 provided under this act, shall be entitled, on proper claim made
42 therefor, to the same exemption as the deceased had, during the
43 surviving spouse's widowhood or widowerhood, as the case may be,
44 and while a resident of this State, for the time that the surviving
45 spouse is the legal owner thereof and actually occupies the said
46 dwelling house or any other dwelling house thereafter acquired.

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 (2) The surviving spouse of any citizen and resident of this State
2 who was honorably discharged and, after the citizen and resident's
3 death, is declared to have suffered a service-connected disability as
4 provided in subsection a. of this section, shall be entitled, on proper
5 claim made therefor, to the same exemption the deceased would
6 have become eligible for. The exemption shall continue during the
7 surviving spouse's widowhood or widowerhood, as the case may be,
8 and while a resident of this State, for the time that the surviving
9 spouse is the legal owner thereof and actually occupies the dwelling
10 house or any other dwelling house thereafter acquired.

11 c. The surviving spouse of any citizen and resident of this
12 State, who died in active service in time of war in any branch of the
13 Armed Forces of the United States, shall be entitled, on proper
14 claim made therefor, to an exemption from taxation on the dwelling
15 house and lot or curtilage whereon the same is erected, during the
16 surviving spouse's widowhood or widowerhood, as the case may be,
17 and while a resident of this State, for the time that the surviving
18 spouse is the legal owner thereof and actually occupies the said
19 dwelling or any other dwelling house thereafter acquired.

20 d. The surviving spouse of any citizen and resident of this State
21 who died prior to January 10, 1972, that being the effective date of
22 P.L.1971, c.398, and whose circumstances were such that, had said
23 law become effective during the deceased's lifetime, the deceased
24 would have become eligible for the exemption granted under this
25 section as amended by said law, shall be entitled, on proper claim
26 made therefor, to the same exemption as the deceased would have
27 become eligible for upon the dwelling house and lot or curtilage
28 occupied by the deceased at the time of death, during the surviving
29 spouse's widowhood or widowerhood, as the case may be, and
30 while a resident of this State, for the time that the surviving spouse
31 is the legal owner thereof and actually occupies the said dwelling
32 house on the premises to be exempted.

33 e. Nothing in this act shall be intended to include paraplegia or
34 hemiplegia resulting from locomotor ataxia or other forms of
35 syphilis of the central nervous system, or from chronic alcoholism,
36 or to include other forms of disease resulting from the veteran's own
37 misconduct which may produce signs and symptoms similar to
38 those resulting from paraplegia, osteochondritis, or hemiplegia.

39 (cf: P.L.2007, c.317, s.1)

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41 2. Section 2 of P.L.1948, c.259 (C.54:4-3.31) is amended to
42 read as follows:

43 2. All exemptions from taxation under this act shall be allowed
44 by the assessor upon the filing with him of a claim in writing under
45 oath, made by or on behalf of the person claiming the same,
46 showing the right to the exemption, briefly describing the property
47 for which exemption is claimed and having annexed thereto a
48 certificate of the claimant's honorable discharge or release under

1 honorable circumstances, from active service, in time of war, in any
2 branch of the armed forces and a certificate from the United States
3 Department of Veterans [Administration] Affairs or its successor,
4 certifying to a service-connected disability of such claimant of the
5 character described in section 1 of **[this act]** P.L.1948,
6 c.259 (C.54:4-3.30). Any application for an exemption from
7 taxation under this section shall be retroactive to the effective date
8 of the determination of total disability by the United States
9 Department of Veterans Affairs. In the case of a claim by a
10 surviving spouse of such veteran, the claimant shall establish in
11 writing under oath that the claimant is the owner of the legal title to
12 the premises on which exemption is claimed; that the claimant
13 occupies the dwelling house on said premises as the claimant's legal
14 residence in this State; that the veteran shall have been declared,
15 either during the veteran's lifetime or after the veteran's death, by
16 the United States Department of Veterans [Administration] Affairs
17 to have or to have had a service-connected disability of a character
18 described in **[this act]** P.L.1948, c.259 (C.54:4-3.30 et seq.), or, in
19 the case of a claim for an exemption under subsection c. of section
20 1 of **[this act]** P.L.1948, c.259 (C. 54:4-3.30), that the veteran shall
21 have been declared to have died in active service in time of war;
22 that the veteran was entitled to an exemption provided for in this
23 act, except for an exemption under paragraph (2) of subsection b.
24 and subsection c. of section 1 hereof, at the time of death; and that
25 the claimant is a resident of this State and has not remarried. Such
26 exemptions shall be allowed and prorated by the assessor for the
27 remainder of any taxable year from the date the claimant shall have
28 acquired title to the real property intended to be exempt by **[this**
29 **act]** P.L.1948, c.259 (C.54:4-3.30 et seq.). Where a portion of a
30 multiple-family building or structure occupied by the claimant is
31 the subject of such exemption, the assessor shall aggregate the
32 assessment on the lot or curtilage and building or structure and
33 allow an exemption of that percentage of the aggregate assessment
34 as the value of the portion of the building or structure occupied by
35 the claimant bears to the value of the entire building or structure.

36 (cf: P.L.2007, c.317, s.2)

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38 3. Section 3 of P.L.1948, c.259 (C.54:4-3.32) is amended to
39 read as follows:

40 3. The governing body of each municipality, by appropriate
41 resolution, **[may]** shall return all taxes collected on property which
42 would have been exempt had proper claim in writing been made
43 therefor in the manner provided by **[this act]**. The governing body
44 of each municipality, by appropriate resolution, may also return to
45 the veteran or the veteran's surviving spouse all property tax
46 payments made since the time of the veteran's actual disability or
47 since the time of the veteran's death. No refunds shall be made

1 under this section for any year or portion thereof prior to the
2 effective date of P.L.1948, c.259 (C.54:4-3.30 et seq.)**】**
3 P.L.1948, c.259 (C.54:4-3.30 et seq.), as of the effective date of the
4 determination of total disability by the United States Department of
5 Veterans Affairs. The tax assessor of the municipality shall
6 annually notify the Director of the Division of Taxation in the
7 Department of the Treasury of any amounts reimbursed during a tax
8 year pursuant to this section. The State shall reimburse each
9 municipality an amount equal to 102 percent of the amount of any
10 veterans' property tax reimbursement granted in that municipality
11 and reported by the tax assessor.

12 (cf: P.L.2007, c.317, s.3)

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14 4. This act shall take effect immediately.

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STATEMENT

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19 This bill provides that the total property tax exemption extended
20 to totally disabled veterans is to be retroactive to the effective date
21 of the determination of the veteran's total disability by the United
22 States Department of Veterans Affairs. The bill also requires that
23 the governing body of each municipality return all taxes collected
24 on the veteran's property after the effective date of the
25 determination of total disability by the United States Department of
26 Veterans Affairs, and requires the State to reimburse municipalities
27 for the amount of such property taxes returned to a totally disabled
28 veteran pursuant to the requirements of the bill.

29 This bill is intended to address the problem that sometimes
30 occurs in the determination of a veteran's status as 100% disabled
31 by the United States Department of Veterans Affairs. Such a
32 determination may take several years to certify, which results in the
33 payment by the veteran of real property taxes for those years.
34 Under current law, a municipality is permitted, but not required, to
35 refund these property taxes paid by a veteran who becomes certified
36 as 100% disabled prior to the certification of that 100% disability.
37 Many municipalities do not make such refunds, which results in a
38 100% disabled veteran, who is entitled to a property tax exemption,
39 having to pay property taxes for years in which no such payment
40 should have been required.