

SENATE, No. 1565

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:

Senator NIA H. GILL

District 34 (Essex and Passaic)

SYNOPSIS

The “Municipal Volunteer Property Tax Reduction Act”; permits certain municipal property owners to perform volunteer services in return for property tax vouchers.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning property tax relief for certain municipal
2 residents and supplementing chapter 4 of Title 54 of the Revised
3 Statutes.

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

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8 1. This act shall be known and may be cited as the "Municipal
9 Volunteer Property Tax Reduction Act."

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11 2. The Legislature finds and declares that:
12 Property taxes remain one of the highest single expenses for
13 State residents and are especially burdensome for seniors on fixed
14 incomes.

15 It is in the public interest to utilize the talents and skills of senior
16 citizen State residents by permitting them to volunteer their services
17 to their municipal government.

18 It is likely that the State's senior population would be motivated
19 to volunteer their time with their municipality if, in return, their
20 property tax liability could be reduced.

21 Therefore, the State should permit municipalities to establish
22 programs in which a senior citizen can volunteer time and services
23 to their municipality of residence in exchange for a credit against
24 municipal purposes property taxes due and owing on their primary
25 residence.

26
27 3. a. A municipality, by resolution, may create a "Municipal
28 Volunteer Property Tax Reduction Program," permitting municipal
29 residents, age 60 years or older, who have owned and lived in a home
30 in the municipality as their primary residence for not less than 15 years
31 in the aggregate, to volunteer their services to the municipality in ways
32 determined by the municipality, in exchange for property tax credits,
33 not to exceed \$1,000 per tax year. Under this program, a municipality
34 shall determine the type of volunteer services that these residents may
35 perform, and the amount of property tax credits, up to \$1,000 per tax
36 year, that a volunteer shall be awarded for his or her service. The
37 amount of property tax credit awarded per hour of volunteer work
38 shall be the State minimum hourly wage rate as set by the Department
39 of Labor and Workforce Development pursuant to the requirements of
40 Article I, paragraph 23 of the New Jersey Constitution. Property tax
41 credits earned under this program shall not carry over from year to
42 year; credits earned in a tax year shall be applied to the municipal
43 purposes property taxes due and owing only for that tax year.

44 b. A volunteer who participates in this program and who earns
45 property tax credits from the municipality shall be awarded a voucher
46 by the municipality which shall be used by the volunteer solely and
47 exclusively to offset the property taxes for municipal purposes due and
48 owing on the volunteer's primary residence in the municipality. The

1 voucher shall otherwise have no value and shall not be transferrable.
2 A voucher shall not be applied toward property taxes which become
3 payable in a year succeeding the year in which the voucher is earned.

4 c. For the purposes of this section, "property taxes for municipal
5 purposes" means taxes duly assessed against the property for
6 municipal purposes only, including any amounts due representing
7 interest or penalties, and any amounts for which redemption payments
8 may be made pursuant to Title 54 of the Revised Statutes, and the
9 value of property tax credits awarded under the program shall not be
10 considered as part of the general property tax due and paid for the
11 purposes of the homestead property tax reimbursement program
12 established pursuant to P.L.1997, c.348 (C.54:4-8.67 et seq.).
13

14 4. A municipality that creates a volunteer program pursuant to
15 section 3 of P.L. , c. (C.) (pending before the
16 Legislature as this bill) shall not utilize volunteers for any position
17 for which a salary is budgeted in the municipal budget. Volunteers
18 shall only be utilized by a municipality for non-professional, non-
19 salaried positions or uses.
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21 5. A municipality that creates a "Municipal Volunteer Property
22 Tax Reduction Program" pursuant to section 3 of P.L. , c. (C.)
23 (pending before the Legislature as this bill) shall advise the Director of
24 the Division of Local Government Services in the Department of
25 Community Affairs of the creation of the program, on a form
26 promulgated for that purpose by the director not later than the third
27 business day next following the adoption of the resolution creating the
28 program. If the municipality is under State supervision pursuant to the
29 provisions of Article Four of the "Local Government Supervision Act
30 (1947)," P.L.1947, c.151 (C.52:27BB-54 et seq.), or the provisions of
31 the "Municipal Rehabilitation and Economic Recovery Act,"
32 P.L.2002, c.43 (C.52:27BBB-1 et seq.), or is otherwise subject to a
33 memorandum of understanding or similar agreement with the division
34 as a condition of receiving supplemental State aid, the resolution shall
35 not be effective unless it is approved by the director.
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37 6. The Director of the Division of Local Government Services in
38 the Department of Community Affairs, pursuant to the provisions of
39 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
40 seq.), shall promulgate any rules or regulations that may be necessary
41 to implement the provisions of P.L. , c. (C.) (pending before
42 the Legislature as this bill). Notwithstanding any provision of
43 P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, any such
44 regulations shall be effective immediately upon filing with the Office
45 of Administrative Law and shall be effective for a period not to exceed
46 365 days, and may thereafter be amended, adopted, or readopted, by
47 the director in accordance with the requirements of P.L.1968, c.410.

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8 This bill would permit any municipality, by resolution, to create a
9 “Municipal Volunteer Property Tax Reduction Program,” permitting
10 municipal residents, age 60 years or older, who have owned and lived
11 in a home in the municipality as their primary residence for not less
12 than 15 years in the aggregate, to volunteer their services to the
13 municipality in ways determined by the municipality, in exchange for
14 property tax credits, not to exceed \$1,000 per tax year. Under this
15 program, a municipality shall determine the type of volunteer services
16 that these residents may perform, and the amount of property tax
17 credits, up to \$1,000 per tax year, that a volunteer shall be awarded for
18 his or her service. The amount of property tax credit awarded per hour
19 of volunteer work shall be the State minimum hourly wage rate as set
20 by the Department of Labor and Workforce Development pursuant to
21 the requirements of Article I, paragraph 23 of the New Jersey
22 Constitution. Property tax credits earned under this program shall not
23 carry over from year to year, and credits earned in a tax year shall be
24 applied to the municipal purposes property taxes due and owing only
25 for that tax year.

26 A municipality that creates a volunteer program pursuant to this
27 section cannot utilize volunteers for any position for which a salary is
28 budgeted in the municipal budget. Volunteers can only be utilized by
29 a municipality for non-professional, non-salaried positions or uses.

A volunteer who participates in such a municipal program and who earns property tax credits from the municipality shall be awarded a voucher by the municipality which shall be used by the volunteer solely and exclusively to offset the property taxes for municipal purposes due and owing on the volunteer's residence in the municipality during the tax year in which the person is a volunteer. The voucher shall otherwise have no value and shall not be transferrable. A voucher shall not be applied toward property taxes which become payable in a year succeeding the year in which the voucher is earned. The value of property tax credits awarded under the program shall not be considered as part of the general property tax due and paid for the purposes of the homestead property tax reimbursement program established pursuant to P.L.1997, c.348 (C.54:4-8.67 et seq.)

44 A municipality that creates a Municipal Volunteer Property Tax
45 Reduction Program must advise the Director of the Division of Local
46 Government Services in the Department of Community Affairs of the

1 creation of the program, not later than the third business day next
2 following the adoption of the resolution creating the program. If the
3 municipality is under State supervision pursuant to the provisions of
4 Article Four of the “Local Government Supervision Act (1947),”
5 P.L.1947, c.151 (C.52:27BB-54 et seq.), or the provisions of the
6 “Municipal Rehabilitation and Economic Recovery Act,”
7 P.L.2002, c.43 (C.52:27BBB-1 et seq.), or is otherwise subject to a
8 memorandum of understanding or similar agreement with the division
9 as a condition of receiving supplemental State aid, the director must
10 approve the municipality’s participation in the program..