

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 1641

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 15, 2021

The Senate Community and Urban Affairs Committee reports favorably and with committee amendments Senate Bill No. 1641.

As amended, this bill revises the current veteran's total property tax exemption provided to totally disabled, honorably-discharged veterans who received a 100 percent service-related disability during their active service in the United States Armed Forces. Under the current law, veterans who did not receive a 100 percent service-related disability, but who were partially disabled during their service, are not eligible to receive a proportional property tax exemption.

The bill would allow all honorably-discharged veterans who received a service-related disability determination resulting from their active service in the United States Armed Forces, including those who received a 100 percent disability determination, to receive a property tax exemption in the proportional amount of their service-related disability, as declared by the United States Department of Veterans Affairs. A veteran who was determined by the United States Department of Veterans Affairs to have a 100 percent service-related disability would still receive a 100 percent property tax exemption under the statute. However, veterans who received a service-related disability of less than 100 percent, as determined by the United States Department of Veterans Affairs would become eligible under the bill to receive a partial property tax exemption, the amount of which would be equal to the degree of their service-connected, service disability as determined by the United States Department of Veterans Affairs.

Under this bill, the State would be required to annually reimburse each taxing district in an amount equal to 102 percent of the amount of any disabled veterans' partial property tax exemption granted in that taxing district.

COMMITTEE AMENDMENTS:

The committee amendments remove the permanent disability requirements in the bill. Additionally, the committee amendments would require the State to annually reimburse each taxing district in an amount equal to 102 percent of the amount of any disabled veterans' partial property tax exemption granted in that taxing district. The amendments remove the partial property tax exemption granted to a

surviving spouse of a deceased veteran. The committee amendments make various technical changes to update the underlying statutory provisions in the bill.