

**SENATE, No. 2472**

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**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

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INTRODUCED MAY 11, 2020

**Sponsored by:**

**Senator PATRICK J. DIEGNAN, JR.**

**District 18 (Middlesex)**

**SYNOPSIS**

Caps interest rate for redemption of tax liens at nine percent per year.

**CURRENT VERSION OF TEXT**

As introduced.



S2472 DIEGNAN

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1 AN ACT concerning the interest rate for the redemption of a tax lien  
2 and amending R.S.54:5-32.

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

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7 1. R.S.54:5-32 is amended to read as follows:

8 54:5-32. The sale shall be made in fee to such person as will  
9 purchase the property, subject to redemption at the lowest rate of  
10 interest, but in no case in excess of **【18%】** nine percent per  
11 **【annum】** year. If at the sale a person shall offer to purchase subject  
12 to redemption at a rate of interest less than **【1%】** one percent, or at  
13 no interest, he may, in lieu of any rate of interest to redeem, offer a  
14 premium over and above the amount of taxes, assessments or other  
15 charges, as in this chapter specified, due the municipality, and the  
16 property shall be struck off and sold to the bidder who offers to pay  
17 the amount of such taxes, assessments or charges, plus the highest  
18 amount of premium.

19 (cf: P.L.2009, c.320, s.6)

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21 2. This act shall take effect immediately.

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24 STATEMENT

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26 This bill would cap the interest rate for the redemption of a tax  
27 lien to nine percent per year. Current law caps that interest rate at  
28 18 percent per year.

**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.