

ASSEMBLY, No. 102

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman ROONEY

1 AN ACT concerning the taxation of certain watershed property and
2 supplementing Title 54 of the Revised Statutes.

3

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

6

7 1. Notwithstanding the provisions of any law, rule or regulation to
8 the contrary, whenever any real property devoted to watershed use,
9 and owned by a private water company under the jurisdiction of the
10 Board of Public Utilities pursuant to Title 48 of the Revised Statutes,
11 is devoted to another use, other than a tax-exempt use, the property
12 shall be subject to additional taxes, hereinafter referred to as roll-back
13 taxes, in an amount equal to the difference, if any, between the taxes
14 paid or payable on the basis of the valuation and the assessment as
15 watershed property and the taxes that would have been paid or payable
16 had the land been valued, assessed and taxed as other land in the
17 taxing district, in the current tax year (the year of change in use) and
18 in each of the two tax years immediately preceding, in which the land
19 was valued, assessed and taxed as herein provided.

20 In determining the amounts of the roll-back taxes chargeable on
21 land which has undergone a change in use, the assessor of the
22 appropriate taxing district shall for each of the roll-back years
23 involved, ascertain:

24 (a) The full and fair value of such land under the valuation standard
25 applicable to other land in the taxing district;

26 (b) The amount of the land assessment for the particular tax year
27 by multiplying such full and fair value by the county percentage level,
28 as determined by the county board of taxation in accordance with
29 section 3 of P.L.1960, chapter 51 (C.54:4-2.27);

30 (c) The amount of the additional assessment on the land for the
31 particular tax year by deducting the amount of the actual assessment
32 on the land for that year from the amount of the land assessment
33 determined under (b) hereof; and

34 (d) The amount of the roll-back tax for that tax year by multiplying
35 the amount of the additional assessment determined under (c) hereof

1 by the general property tax rate of the taxing district applicable for
2 that tax year.

3
4 2. The assessment, collection, apportionment and payment over of
5 the roll-back taxes imposed by section 1 of this act, the attachment of
6 the lien for such taxes, and the right of a taxing district, owner or
7 other interested party to review any judgment of the county board of
8 taxation affecting such roll-back taxes, shall be governed by the
9 procedures provided for the assessment and taxation of omitted
10 property under the provisions of P.L.1947, c.413 (C.54:4-63.12 et
11 seq.). Such procedures shall apply to each tax year for which
12 roll-back taxes may be imposed, notwithstanding the limitation
13 prescribed in section 1 of P.L.1947, c.413 (C.54:4-63.12) respecting
14 the periods for which omitted property assessments may be imposed.
15

16 3. This act shall take effect immediately, and shall apply to changes
17 in use occurring on and after the effective date of this act.

18

19

20 STATEMENT

21

22 This bill provides for roll-back taxes on watershed property owned
23 by a private water company is devoted to another use. Essentially, the
24 roll-back taxes would be calculated and collected in the same manner
25 as roll-back taxes under the State farmland assessment program.

26

27

28

29

30 Provides for roll-back taxes when certain watershed property is
31 devoted to other uses.