

ASSEMBLY, No. 1483

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 5, 1996

By Assemblymen LeFEVRE, BLEE, Gibson and Asselta

1 AN ACT providing for payments in lieu of property taxes and payments
2 in lieu of full property taxes on certain property in certain
3 municipalities in the Pinelands area and supplementing Title 54 of
4 the Revised Statutes.

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

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9 1. As used in this act:

10 "Effective municipal purposes tax rate" means the rate, per \$100 of
11 valuation, derived by dividing the amount to be raised for local
12 municipal purposes for a municipality by the net valuation on which
13 county taxes are apportioned to the municipality, as reported in
14 column 12c and column 11, respectively, of the Abstract of Ratables
15 and Exemptions compiled for the municipality by the Division of
16 Taxation, in the Department of the Treasury, from the Table of
17 Aggregates prepared pursuant to R.S.54:4-52;

18 "Pinelands area" means the area so designated pursuant to
19 subsection a. of section 10 of P.L.1979, c.111 (C.13:18A-11);

20 "Pretax year" means the calendar year immediately preceding the
21 tax year;

22 "Publicly owned property" means property which is owned by the
23 United States, the State, or any county, except that "publicly owned
24 property" shall not include property qualified for payments in lieu of
25 taxes pursuant to P.L.1977, c.222 (C.54:4-2a et seq.);

26 "Qualified municipality" means a municipality located in the
27 Pinelands area in which more than 30% of the property which is
28 otherwise taxable is publicly owned property, and in which more than
29 60% of the property which is otherwise taxable is comprised of
30 publicly owned property and property subject to taxation pursuant to
31 P.L.1964, c.48 (C.54:4-23.1 et seq.), and which is certified by the
32 director of the Division of Taxation pursuant to subsection a. of
33 section 3 of P.L. , c. (C.)(now before the Legislature as this
34 bill);

35 "Qualified municipal property" means property in a qualified
36 municipality which is (1) owned by the State and not qualified for
37 payments in lieu of taxes pursuant to P.L.1977, c.222 (C.54:4-2.2a et

1 seq.); or (2) subject to assessment and taxation pursuant to P.L.1964,
2 c.48 (C.54:4-23.1 et seq.); and

3 "Tax year" means the calendar year for which property taxes are
4 due and payable pursuant to chapter 4 of Title 54 of the Revised
5 Statutes.

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7 2. Notwithstanding the provisions of any law, rule, or regulation to
8 the contrary, qualified municipal property shall be assessed and subject
9 to an annual payment in lieu of property taxes, or in lieu of full
10 property taxes, as the case may be, pursuant to section 3 of this act.

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12 3. a. Commencing with the first tax year for which the provisions
13 of this act are applicable, a tax assessor of a municipality may apply to
14 the Director of the Division of Taxation in the Department of the
15 Treasury for certification of the municipality as a qualified
16 municipality. The director's certification or denial of certification shall
17 be issued within 60 days of receipt of an application for certification,
18 and shall be considered the final agency act thereon for the purposes
19 of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1
20 et seq.), and shall be subject only to judicial review as provided in the
21 Rules of the Court.

22 b. Upon receipt of certification pursuant to subsection a. of this
23 section, the municipal tax assessor for the qualified municipality that
24 constitutes the taxing district in which qualified municipal property is
25 located shall determine the taxable value of the qualified municipal
26 property pursuant to subsection c. or d. of this section, as appropriate.
27 The taxable value shall be forwarded to the Director of the Division of
28 Taxation, in the Department of the Treasury, who shall calculate the
29 amount of the payment in lieu of taxes, or in lieu of full property taxes,
30 as the case may be, for the qualified municipality by multiplying the
31 taxable value of qualified municipal property in that municipality by
32 the effective municipal purposes tax rate for that municipality for the
33 pretax year. In the case of property subject to assessment and taxation
34 pursuant to P.L.1964, c.48 (C.54:4-23.1 et seq.), that amount of the
35 payment shall be reduced by the amount of taxes paid pursuant thereto
36 during the pretax year. Such amount shall be certified to the State
37 Treasurer, and shall be in addition to any payment due each qualified
38 municipality pursuant to P.L.1977, c.272 (C.54:4-2.2a. et seq.).

39 c. For qualified municipal property which is owned by the State,
40 the tax assessor shall determine the taxable valuation of that property
41 for the pretax year pursuant to R.S.54:4-2.

42 d. For qualified municipal property which is subject to local
43 property taxation pursuant to P.L.1964, c.48 (C.54:4-23.1 et seq.), the
44 tax assessor shall determine the taxable valuation of that property for
45 the pre-tax year pursuant R.S.54:4-27 and without regard to the
46 provisions of P.L.1964, c.48.

1 e. The amounts due and payable pursuant to this section shall be
2 paid by the State Treasurer at the same time and in the same manner
3 as provided in section 9 of P.L.1977, c.272 (C.54:4-2.2i).

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5 4. This act shall take effect 60 days following enactment, and shall
6 apply to each tax year beginning on and after that effective date.

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9 STATEMENT

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11 This bill would provide for State payment in lieu of property taxes
12 and in lieu of full property taxes to certain municipalities located in the
13 Pinelands area for State-owned property and for property subject to
14 farmland assessment. The payments in lieu of property taxes would be
15 made only to municipalities in the Pinelands area in which (1) more
16 than 30% of the property which would otherwise be subject to local
17 property taxation is owned by the United States, the State or a county,
18 and (2) the aggregate of the property owned by the United States, the
19 State or a county, and the property subject to farmland assessment
20 comprises more than 60% of the property otherwise subject to
21 taxation. In determining the 30% threshold, State property already
22 qualified for State payments in lieu of taxes pursuant to P.L.1977,
23 c.222 (C.54:4-2.2a et seq.) could not be considered. Municipalities in
24 the Pinelands area which meet the eligibility requirements would be
25 eligible for payments in lieu of property taxes for State property, and,
26 in the case of property subject to farmland assessment, the State would
27 be required to make payments in lieu of taxes reduced by the amount
28 of taxes paid by the owner pursuant to the farmland assessment
29 program.

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34 Provides for payments in lieu of property taxes for certain
35 municipalities in the Pinelands area.