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[First Reprint]

ASSEMBLY, No. 2244

STATE OF NEW JERSEY

INTRODUCED JUNE 18, 1996

By Assemblymen JONES, DiGAETANO and Dalton

1 AN ACT establishing a State municipal property tax lien fund and
2 supplementing Title 52 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. a. The State Municipal Property Tax Lien Fund (hereinafter
8 referred to as the "fund") is established as a non-lapsing, revolving
9 fund. The fund shall be administered by the Department of Commerce
10 and Economic Development, and shall be credited with all proceeds
11 from the sale or assignment of municipal tax liens pursuant to this
12 section. Interest received on moneys in the fund and sums received as
13 repayment of principal and interest on outstanding loans made from
14 the fund shall be credited to the fund. The Department of Commerce
15 and Economic Development, in the administration of the fund, is
16 authorized to assign to the New Jersey Economic Development
17 Authority the responsibility for the purchase or assignment of property
18 tax liens held by a municipality, the issuance of debt secured by such
19 liens, and the sale of purchased or assigned tax liens, either
20 individually or in bulk. The department is further authorized to pay or
21 reimburse the authority in the amounts as the department agrees are
22 appropriate for all services rendered by the authority in connection
23 with any assignment of responsibility under the terms of this section
24 out of moneys held in the fund for the purchase of municipally held
25 property tax liens. The authority, if assigned responsibility by the
26 department, is authorized to service liens held by the fund, foreclose
27 liens ¹except as provided in subsection e. of this section¹, and manage,
28 sell and own property for the benefit of the fund. The authority is

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly ALG committee amendments adopted September 16, 1996.

1 further authorized to contract with private vendors for the servicing
2 of liens held by the fund or the management of property owned by the
3 authority for the benefit of the fund.

4 b. Moneys in the fund shall be allocated and used for the following
5 purposes and no others:

6 (1) Purchase of property tax liens held by a municipality, either
7 individually or in bulk pursuant to P.L.1993, c.325 (C.54:5-113.4);
8 and

9 (2) Subsequent tax payments to a municipality secured by property
10 tax liens held by the fund; and

11 (3) To secure debt for redevelopment projects or economic
12 development projects located in a municipality participating in the
13 fund.

14 c. The fund may accept the assignment or transfer, either for value
15 or not for value, of property tax liens held by a municipality.

16 d. The fund may be temporarily funded initially by other moneys of
17 the authority upon such terms as are approved by the Commissioner
18 of Commerce and Economic Development.

19 ¹e. A municipality shall attached to each tax sale certificate sold,
20 assigned or transferred to the fund a senior citizen, disabled or
21 surviving spouse tax foreclosure moratorium statement indicating
22 whether or not the property owner qualifies for a senior citizen,
23 disabled or surviving spouse property tax deduction pursuant to
24 P.L.1963, c.172 (C.54:4-8.40 et seq.). The fund shall not foreclose on
25 any property for which the moratorium statement indicates that the
26 property is owned by a senior citizen, disabled or surviving spouse
27 until after the title to the property is conveyed to another owner.¹
28

29 2. The Commissioner of Commerce and Economic Development
30 shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968,
31 c.410 (C.52:14B-1 et seq.), rules and regulations necessary to
32 effectuate the purposes of this act.

33

34 3. This act shall take effect immediately.

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37

38

39 Establishes State Municipal Property Tax Lien Fund.