

SENATE, No. 810

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 22, 1996

By Senator RICE

1 AN ACT concerning State property subject to taxation, amending
2 R.S.54:4-3.3 and repealing P.L.1977, c.272.

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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.54:4-3.3 is amended to read as follows:

8 54:4-3.3 a. Except as otherwise provided by article 1 of this
9 chapter (~~[§]~~R.S.54:4-1 et seq.), [the property of the State of New
10 Jersey; and] the property of the respective counties, school districts
11 and taxing districts used for public purposes, or for the preservation
12 or exhibit of historical data, records or property; school district
13 property which is leased to a nonprofit organization which is exempt
14 from taxation under R.S.54:4-3.6, for use by that organization in its
15 exempt functions; school district property which is leased to another
16 board of education or governmental agency; and property acquired by
17 any municipality through tax title foreclosure or by deed in lieu of
18 foreclosure, if not used for private purpose, shall be exempt from
19 taxation under this chapter, but this exemption shall not include real
20 property bought in for debts or on foreclosure of mortgages given to
21 secure loans out of public funds or out of money in court, which
22 property shall be taxed unless devoted to public use. The lands of
23 counties, municipalities, and other municipal and public agencies of
24 this State used for the purpose and for the protection of a public water
25 supply shall be subject to taxation by the respective taxing districts
26 where situated, at the taxable value thereof, without regard to any
27 buildings or other improvements thereon, in the same manner and to
28 the same extent as the lands of private persons, but all other property
29 so used shall be exempt from taxation. Property, the title to which is
30 in the Morris Canal and Banking Company, in trust for the State, shall,
31 so long as the title is so vested, be deemed to be the property of the
32 State within the meaning of any tax law.

33 b. State property used or held for future use for highway, bridge
34 or tunnel purposes, and property which is qualified under State law for

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.

1 any State payment in lieu of taxes is exempt from taxation.

2 (cf: P.L.1983, c.262, s.1)

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4 2. Sections 1 through 11 of P.L.1977, c.272 (C.54:4-2.2a et seq.)
5 are repealed.

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7 3. This act shall take effect immediately, and shall be applicable to
8 assessments and taxes for the tax year beginning January 1, next
9 following enactment.

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STATEMENT

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14 This bill authorizes municipalities to tax for real property taxation
15 State owned property, except State property used or held for future
16 use for highway, bridge or tunnel purposes or property which is
17 qualified under State law for any State payment in lieu of taxes, at the
18 general tax rate of the municipality. The bill repeals P.L.1977, c.272
19 (C.54:4-2.2a et seq.) which requires the State to make payments to
20 municipalities in lieu of taxes.

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26 Permits municipalities to tax certain State owned real property at the
general tax rate.