

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 1372

with Senate committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 15, 1997

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 1372 with amendments.

As amended, Senate Bill No. 1372 is designated the "Senior Citizen Property Tax Relief Act." Under the act, if the governing body of a municipality adopts an ordinance to permit the exemptions, a senior citizen who is 65 years of age or older would be exempt from further property tax increases on their residences under certain circumstances.

Senior citizens would be eligible for this exemption so long as they have resided in the dwelling unit on which they are being taxed and making application for a period of not less than five years.

A surviving spouse of a senior citizen who received the tax exemption in his lifetime would continue to be eligible for the exemption notwithstanding that the surviving spouse is under the age of 65, so long as the surviving spouse remains unmarried, continues to reside in the same dwelling house for which the exemption was originally granted and was not more than 20 years younger than the decedent.

Senior citizens and surviving spouses would continue to receive the exemption on an annual basis without reapplication; however, the onus would be on them to report any change in their status which would make them ineligible to continue to receive the exemption. Such changes in status would include a change of residence or a transfer of the property to someone ineligible to continue receiving the exemption or, in the case of a surviving spouse, remarriage.

COMMITTEE AMENDMENTS

The committee amended the bill at the request of the sponsor to make the bill permissive, rather than mandatory. The property tax relief provided in the bill would be available only in a municipality that adopts an ordinance to permit the application of the bill's provisions within that municipality.

FISCAL IMPACT

This bill has not been certified as requiring a fiscal note since it will not have an impact on State revenues and expenditures.