

SENATE, No. 2054

STATE OF NEW JERSEY

INTRODUCED MAY 8, 1997

By Senator LaROSSA

1 AN ACT concerning property tax relief for certain totally disabled  
2 veterans.

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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. This act shall be known and may be referred to as the "Totally  
8 Disabled Veterans' Property Tax Relief Act of 1997."

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10 2. The Legislature finds and declares:

11 a. Certain totally disabled veterans are unaware of laws entitling  
12 them to claim a total exemption from property taxes.

13 b. Other veterans have received total disability status retroactive  
14 to a date in the past from the United States Department of Veterans  
15 Affairs which makes them eligible to claim a total exemption from  
16 property taxes retroactive to the same date.

17 c. Since no data exist to reliably estimate the amount of funds that  
18 would be required to reimburse totally disabled veterans for property  
19 taxes mistakenly paid or paid prior to a retroactive determination of  
20 total disability status, it is appropriate that the State ascertain those  
21 amounts so that appropriations can be recommended for a  
22 reimbursement program.

23 d. Although not legally obligated to pay property tax  
24 reimbursements to totally disabled veterans for property taxes  
25 mistakenly paid or paid prior to a retroactive determination of total  
26 disability status, it is a public purpose for the State to aid these  
27 veterans by establishing a fund to pay one-third of the amount of such  
28 reimbursement claims, or to pay one-half of such reimbursement claims  
29 in order to encourage the municipality in which a claimant resides to  
30 also agree to pay one-half of the reimbursement claim.

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32 3. For the purposes of this act:

33 "Claimant" means a totally disabled veteran who failed to apply for  
34 a total property tax exemption or who only became eligible to apply  
35 for a total property tax exemption following retroactive determination  
36 of total disability status by the United States Department of Veterans  
37 Affairs.

1 "Fund" means the "Totally Disabled Veterans' Property Tax Relief  
2 Fund" established pursuant to section 5 of this act.

3 "Period of eligibility" means any year for which a claimant was  
4 eligible to apply for a total property tax exemption, but failed to do so  
5 for whatever reason, or any year for which a claimant would have been  
6 eligible to apply for a total property tax exemption if a retroactive  
7 determination of total disability by the United States Department of  
8 Veterans Affairs had been in effect.

9 "Qualified claim" means the net amount of property taxes overpaid  
10 by a claimant, as reported to the Department of Community Affairs by  
11 a municipal tax collector pursuant to section 4 of this act.

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13 4. a. Commencing on the effective date of this act and concluding  
14 on the last day of the fifth month next following enactment of this act,  
15 the Department of Community Affairs, in consultation with the  
16 Department of Veterans' and Military Affairs shall advertise through  
17 veterans' organizations or otherwise, and make available to totally  
18 disabled veterans an application for partial reimbursement by the State  
19 of property taxes mistakenly paid or paid prior to a retroactive  
20 determination of total disability status. The Department of Community  
21 Affairs shall also notify each municipality of the program in order that  
22 municipal governing bodies may determine by resolution to participate  
23 in the program by agreeing to pay half of the reimbursement amount  
24 to a claimant residing in the municipality.

25 b. An application for reimbursement of property taxes mistakenly  
26 paid or paid prior to a retroactive determination of total disability  
27 status shall be filed with the tax collector in the municipality wherein  
28 the claimant resides. The claimant shall also be responsible for filing  
29 an application with the tax collector in any other municipality in which  
30 the claimant may have resided during a period of eligibility.

31 c. The tax collector shall calculate the amount of reimbursement  
32 for the period of eligibility, minus any amounts returned to the  
33 claimant as a veteran's deduction, senior citizen deduction or  
34 homestead rebate related to the payment of property taxes. This  
35 calculated amount shall not include interest.

36 d. On or before the 15th day of the sixth month next following  
37 enactment of this act, the tax collector shall file completed applications  
38 with the Department of Community Affairs, along with the collector's  
39 certification of the qualified claim amount and a certified copy of any  
40 municipal resolution agreeing to pay one-half of the amount of  
41 qualified reimbursement due to the claimant.

42 e. On or before the 15th day of the sixth month next following  
43 enactment of this act, the governing body of a municipality that wishes  
44 to participate in the program established by this act shall adopt a  
45 resolution agreeing to pay one-half of the certified qualified claim  
46 amount for each claim certified by the tax collector.



1 date. Although the State has no legal obligation to pay these property  
2 tax refunds, it is in the public interest to help totally disabled veterans.  
3 The first part of the bill requires the Department of Community  
4 Affairs, in consultation with the Department of Veterans' and Military  
5 Affairs, to solicit applications from totally disabled veterans who may  
6 not have been aware of eligibility for total property tax exemption or  
7 who may have received a retroactive determination of total disability  
8 from the United States Department of Veterans Affairs. This bill  
9 allows at least a five- month period for advertisement of the program  
10 and submission of applications to local tax collectors. The tax  
11 collectors would then have an additional 15 days to calculate the  
12 property tax reimbursement amount, minus any property tax deduction  
13 or rebate received by the claimant related to the payment of property  
14 taxes, and not including interest. The collector would certify this  
15 amount and file the certified claim amount along with the application  
16 with the Department of Community Services.

17 The second part of this bill establishes a fund out of which the State  
18 would satisfy a portion of the veterans' property tax reimbursement  
19 claims. The fund would pay one-third of a certified reimbursement  
20 amount to a claimant, unless the municipality in which the claimant  
21 resides has adopted a resolution agreeing to pay one-half of the  
22 certified reimbursement amount, in which case the fund would match  
23 that amount, also paying one-half of the claim.

24 The fund would be funded through an appropriation, the amount of  
25 which would be determined after receipt of a report from the  
26 Department of Community Affairs to the Legislature, detailing the  
27 amount of certified reimbursement claims received. The report would  
28 divide claimants into those who will not be receiving municipal  
29 contribution and those who will receive municipal contribution so that  
30 the differential pay-out amounts can be calculated for claimants in each  
31 group. This delayed appropriation funding mechanism is required  
32 because there are no adequate data to estimate the total amount of  
33 reimbursement that totally disabled veterans could claim under this  
34 program.

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39 "Totally Disabled Veterans' Property Tax Relief Act of 1997."