

[First Reprint]
SENATE, No. 2179

STATE OF NEW JERSEY

INTRODUCED JUNE 12, 1997

By Senators CONNORS, DiFRANCESCO, Sinagra, Singer,
Bark, Inverso, Kosco and McGreevey

1 AN ACT providing a homestead property tax reimbursement to certain
2 eligible homeowners and supplementing chapter 4D of Title 30 of
3 the Revised Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. As used in this act:
9 "Base year" means, in the case of a person who is an eligible
10 claimant on or before November 1, 1996, the tax year 1996; and in the
11 case of a person who first becomes an eligible claimant after
12 November 1, 1996, the tax year in which the person first becomes an
13 eligible claimant.

14 "Commissioner" means the Commissioner of Health and Senior
15 Services.

16 "Condominium" means the form of real property ownership
17 provided for under the "Condominium Act," P.L.1969, c.257
18 (C.46:8B-1 et seq.).

19 "Cooperative" means a housing corporation or association which
20 entitles the holder of a share or membership interest thereof to possess
21 and occupy for dwelling purposes a house, apartment or other unit of
22 housing owned or leased by the corporation or association, or to lease
23 or purchase a unit of housing constructed or to be constructed by the
24 corporation or association.

25 "Disabled person" means an individual receiving or having qualified
26 to receive monetary payments pursuant to Title II of the federal Social
27 Security Act (42 U.S.C. §401 et seq.) on November 1, 1997, or on
28 November 1 in all or any part of the year for which a homestead
29 property tax reimbursement under this act is claimed.

30 "Dwelling house" means any residential property assessed as real

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 Senate SCO committee amendments adopted December 15, 1997.

1 property which consists of not more than four units, of which not more
2 than one may be used for commercial purposes, but shall not include
3 a unit in a condominium, cooperative, horizontal property regime or
4 mutual housing corporation.

5 "Eligible claimant" means a person who:

6 is 65 or more years of age, or who is a disabled person;

7 is an owner of a homestead ¹,or the lessee of a site in a mobile
8 home park on which site the applicant owns a manufactured or mobile
9 home¹;

10 is qualified to receive PAAD benefits, or was qualified in the
11 previous tax year to receive PAAD benefits but who is not so PAAD
12 qualified in the current tax year; and

13 as a renter or homeowner, has made a long-term contribution to the
14 fabric, social structure and finances of one or more communities in this
15 State, as demonstrated through the payment of property taxes directly,
16 or through rent, on any homestead or rental unit used as a principal
17 residence in this State for at least 10 ¹consecutive¹ years prior to the
18 date that an application for a homestead property tax reimbursement
19 is filed.

20 "Homestead" means:

21 a dwelling house and the land on which that dwelling house is
22 located which constitutes the place of the eligible claimant's domicile
23 and is owned and used by the eligible claimant as the eligible claimant's
24 principal residence;

25 ¹a site in a mobile home park equipped for the installation of
26 manufactured or mobile homes, where these sites are under common
27 ownership and control for the purpose of leasing each site to the
28 owner of a manufactured or mobile home for the installation thereof
29 and such site is used by the eligible claimant as the eligible claimant's
30 principal residence:¹

31 a dwelling house situated on land owned by a person other than the
32 eligible claimant which constitutes the place of the eligible claimant's
33 domicile and is owned and used by the eligible claimant as the eligible
34 claimant's principal residence;

35 a condominium unit or a unit in a horizontal property regime or a
36 continuing care retirement community which constitutes the place of
37 the eligible claimant's domicile and is owned and used by the eligible
38 claimant as the eligible claimant's principal residence.

39 In addition to the generally accepted meaning of "owned" or
40 "ownership," a homestead shall be deemed to be owned by a person if
41 that person is a tenant for life or a tenant under a lease for 99 years or
42 more, is entitled to and actually takes possession of the homestead
43 under an executory contract for the sale thereof or under an agreement
44 with a lending institution which holds title as security for a loan, or is
45 a resident of a continuing care retirement community pursuant to a
46 contract for continuing care for the life of that person which requires

1 the resident to bear, separately from any other charges, the
2 proportionate share of property taxes attributable to the unit that the
3 resident occupies;

4 a unit in a cooperative or mutual housing corporation which
5 constitutes the place of domicile of a residential shareholder or lessee
6 therein, or of a lessee or shareholder who is not a residential
7 shareholder therein, which is used by the eligible claimant as the
8 eligible claimant's principal residence.

9 "Homestead property tax reimbursement" means payment of the
10 difference between the amount of property tax ¹or site fee constituting
11 property tax¹ paid or payable in any year on any homestead, exclusive
12 of improvements not included in the assessment on the real property
13 for the base year, and the amount of property tax ¹or site fee
14 constituting property tax¹ paid in the base year, or, for eligible
15 claimants who have paid property tax for only a portion of the base
16 year, the annualized amount otherwise payable.¹ when the amount paid
17 in the base year ¹or the annualized amount¹ is the lower amount; but
18 such calculations shall exclude current year property tax reductions ¹or
19 reductions in site fees constituting property taxes¹ resulting from
20 judgments entered by county boards of taxation or the State Tax
21 Court.

22 "Horizontal property regime" means the form of real property
23 ownership provided for under the "Horizontal Property Act,"
24 P.L.1963, c.168 (C.46:8A-1 et seq.).

25 ¹"Manufactured home" or "mobile home" means a unit of housing
26 which:

27 (1) Consists of one or more transportable sections which are
28 substantially constructed off site and, if more than one section, are
29 joined together on site;

30 (2) Is built on a permanent chassis;

31 (3) Is designed to be used, when connected to utilities, as a
32 dwelling on a permanent or nonpermanent foundation; and

33 (4) Is manufactured in accordance with the standards promulgated
34 for a manufactured home by the Secretary of the United States
35 Department of Housing and Urban Development pursuant to the
36 "National Manufactured Housing Construction and Safety Standards
37 Act of 1974," Pub.L. 93-383 (42 U.S.C. s. 5401 et seq.) and the
38 standards promulgated for a manufactured or mobile home by the
39 commissioner pursuant to the "State Uniform Construction Code
40 Act," P.L.1975, c.217 (C.52:27D-119 et seq.).

41 "Mobile home park" means a parcel of land, or two or more parcels
42 of land, containing no fewer than 10 sites equipped for the installation
43 of manufactured or mobile homes, where these sites are under
44 common ownership and control for the purpose of leasing each site to
45 the owner of a manufactured or mobile home for the installation
46 thereof, and where the owner or owners provide services, which are

1 provided by the municipality in which the park is located for property
 2 owners outside the park, which services may include but shall not be
 3 limited to:

4 (1) The construction and maintenance of streets;

5 (2) Lighting of streets and other common areas;

6 (3) Garbage removal;

7 (4) Snow removal; and

8 (5) Provisions for the drainage of surface water from home sites
 9 and common areas.¹

10 "Mutual housing corporation" means a corporation not-for-profit,
 11 incorporated under the laws of this State on a mutual or cooperative
 12 basis within the scope of section 607 of the Langham Act (National
 13 Defense Housing), Pub.L.849, (42 U.S.C. §1521 et seq.), as amended,
 14 which acquired a National Defense Housing Project pursuant to that
 15 act.

16 "PAAD benefits" mean payment of pharmaceutical benefits received
 17 pursuant to the "Pharmaceutical Assistance to the Aged and Disabled"
 18 program, P.L.1975, c.194 (C.30:4D-20 et seq.).

19 "Principal residence" means a homestead actually and continually
 20 occupied by an eligible claimant as his or her permanent residence, as
 21 distinguished from a vacation home, property owned and rented or
 22 offered for rent by the claimant, and other secondary real property
 23 holdings.

24 "Property tax" means the general property tax paid or payable as set
 25 forth in this section, on a homestead, but does not include special
 26 assessments and interest and penalties for delinquent taxes.

27 ¹"Site fee constituting property tax" means 18 percent of the annual
 28 site fee paid or payable to the owner of a mobile home park.¹

29 "Tax year" means the calendar year in which a homestead is
 30 assessed and the property tax is levied thereon.

31
 32 2. Every eligible claimant shall be entitled, beginning with
 33 reimbursement for the property tax year 1997 and annually thereafter,
 34 on proper claim being made therefor to the commissioner, to a
 35 homestead property tax reimbursement. An eligible claimant granted
 36 a homestead property tax reimbursement under P.L. , c.
 37 (C.) (pending before the Legislature as this bill) may receive in
 38 addition to a homestead property tax reimbursement any other
 39 property tax rebate, credit or tax deduction provided by any other law.
 40 The surviving spouse of a deceased resident of this State who during
 41 his or her life received a homestead property tax reimbursement
 42 pursuant to P.L. , c. (C.) (pending before the
 43 Legislature as this bill) shall be entitled, so long as he or she remains
 44 a resident in the same homestead with respect to which the homestead
 45 property tax reimbursement was granted, and so long as he or she
 46 remains eligible for PAAD benefits, to the same homestead property

1 tax reimbursement, upon the same conditions, with respect to the same
2 homestead.

3
4 3. An application for a homestead property tax reimbursement
5 hereunder shall be filed with the commissioner on or before
6 December 31, 1997 and on or before December 31 annually thereafter
7 and shall reflect the prerequisites for a homestead property tax
8 reimbursement on November 1 of the year of filing; provided,
9 however, that the commissioner may, by rule, waive the requirement
10 for filing an annual application for any year or years subject to any
11 limitations and conditions the commissioner may deem appropriate.
12 The application shall be on a form prescribed by the commissioner and
13 provided for the use of applicants hereunder. Each applicant making
14 a claim for a homestead property tax reimbursement under this act
15 shall provide to the commissioner a copy of his or her current year
16 property tax bill ¹or current year site fee bill ¹on the homestead
17 constituting that person's principal residence and a copy of his or her
18 property tax bill for the base year ¹or site fee bill for the base year¹ on
19 the same homestead, or other equivalent proof as permitted by the
20 commissioner.

21 It shall be the duty of every eligible claimant to inform the
22 commissioner of any change in his or her status or homestead which
23 may affect his or her right to continuance of the homestead property
24 tax reimbursement.

25

26 4. The commissioner shall administer the homestead property tax
27 reimbursement program. A payment for the homestead property tax
28 reimbursement amount, as calculated by the commissioner, shall be
29 mailed to each person determined by the commissioner to be an
30 eligible claimant under this act on or before July 15, 1998 and July 15
31 annually thereafter. All payments made pursuant to this section shall
32 be appropriated from receipts ¹[generated solely from the Casino
33 Revenue Fund. If receipts]¹ in the Casino Revenue Fund [are
34 insufficient in any year to pay the total cost of the homestead property
35 tax reimbursement claims, then reimbursements shall be paid on a pro
36 rata basis for that year and no part of an unpaid claim for a homestead
37 property tax reimbursement shall be carried into a subsequent year]¹.

38

39 5. When title to a homestead as to which a homestead property tax
40 reimbursement is claimed is held by an eligible claimant and another or
41 others, either as tenants in common or as joint tenants, the eligible
42 claimant shall not be allowed a homestead property tax reimbursement
43 in an amount in excess of his or her proportionate share of the taxes
44 assessed against the homestead, which proportionate share, for the
45 purposes of this act, shall be deemed to be equal to that of each of the
46 other tenants, unless it is shown that the interests in question are not

1 equal, in which event the eligible claimant's proportionate share shall
2 be as shown. Nothing herein shall preclude more than one tenant,
3 whether title be held in common or joint tenancy, from claiming a
4 homestead property tax reimbursement from the taxes assessed against
5 the property so held, but no more than the equivalent of one full
6 homestead property tax reimbursement in regard to such homestead
7 shall be allowed in any year. In any case in which the eligible
8 claimants cannot agree as to the apportionment thereof, such
9 homestead property tax reimbursement shall be apportioned between
10 or among them in proportion to their interest. Property held by
11 husband and wife, as tenants by the entirety, shall be deemed wholly
12 owned by each tenant, but no more than one full homestead property
13 tax reimbursement in regard to such homestead shall be allowed in any
14 year. Right to claim a homestead property tax reimbursement
15 hereunder shall extend to a homestead the title to which is held by a
16 partnership, to the extent of the eligible claimant's interest as a partner
17 therein, and by a guardian, trustee, committee, conservator or other
18 fiduciary for any person who would otherwise be entitled to claim such
19 homestead property tax reimbursement hereunder, but not to a
20 homestead the title to which is held by a corporation; except that a
21 residential shareholder in a cooperative or mutual housing corporation
22 shall be entitled to claim a homestead property tax reimbursement if he
23 or she is otherwise eligible to receive it, to the extent of the
24 proportionate share of the taxes assessed against the homestead of the
25 corporation, or any other entity holding title, attributable to his or her
26 unit therein. No eligible claimant shall be entitled to payment under
27 this act for a homestead property tax reimbursement on more than one
28 homestead within the State in the same tax year.

29

30 6. A municipality may apply to the State Treasurer, for any costs
31 incurred by the municipality in connection with the administration of
32 this act in accordance with such procedures as shall be determined by
33 the State Treasurer.

34

35 7. Pursuant to the "Administrative Procedure Act," P.L.1968,
36 c.410 (C.52:14B-1 et seq.), the commissioner shall promulgate such
37 rules and regulations and prescribe such forms as the commissioner
38 shall deem necessary to implement this act. The commissioner shall
39 also promulgate rules and regulations to implement an appeals process
40 for aggrieved persons to use if eligibility for a homestead property tax
41 reimbursement rebate is denied.

42

43 8. This act shall take effect immediately.

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3 Provides homestead property tax reimbursement to certain PAAD-

4 qualified senior and disabled homeowners.