

[Second Reprint]

ASSEMBLY, No. 2669

STATE OF NEW JERSEY
208th LEGISLATURE

INTRODUCED DECEMBER 3, 1998

Sponsored by:

Assemblyman DONALD K. TUCKER

District 29 (Essex and Union)

Co-Sponsored by:

Assemblymen Caraballo, Cohen, Doria, Assemblywoman Gill,

Assemblymen Green, Impreveduto, Jones, Payne, R.Smith, Stanley,

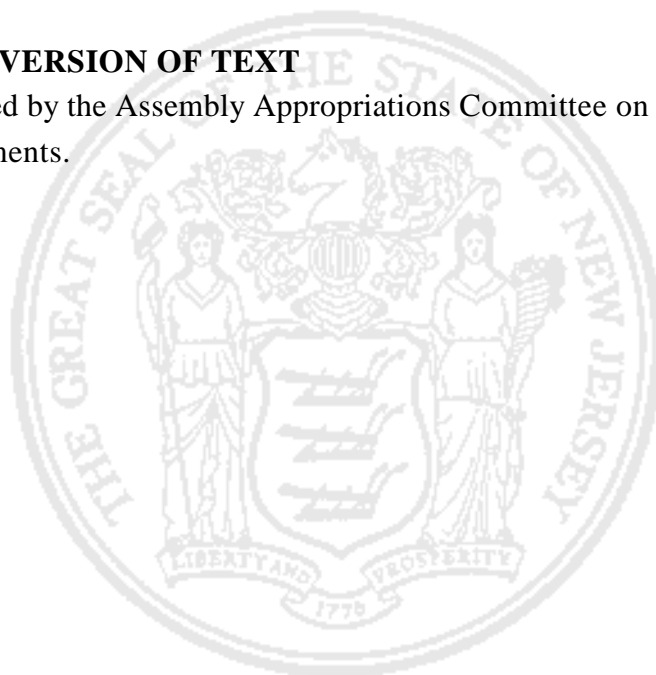
Assemblywoman Weinberg and Assemblyman Garcia

SYNOPSIS

Permits five-year phase-in of real property revaluation in Newark.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on May 17, 1999,
with amendments.



(Sponsorship Updated As Of: 3/19/1999)

1 AN ACT concerning revaluation relief for certain cities and amending
2 and supplementing various sections of statutory law.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. (New section) This act shall be known and may be cited as the
8 "Revaluation Relief Act of ²**[1998]** 1999 ²."

9
10 2. (New section) The Legislature finds and determines that:

11 a. Article VIII, Section I, paragraph 1 of the Constitution of the
12 State of New Jersey requires that all real property in this State be
13 assessed for taxation under the same standard of value, which the
14 Legislature has defined as "true" or "market" value, and taxed at a
15 uniform general tax rate within each taxing district;

16 b. Because of such factors as civil disturbances, loss of an
17 industrial tax base, an inordinately high ratio of tax exempt and abated
18 properties to taxable properties, limited resources available to the tax
19 assessor, a lack of uniform data processing standards, and the
20 technological obsolescence of certain local assessment practices, the
21 City of Newark has been unable to implement a municipal revaluation
22 since 1962, resulting in a haphazard patchwork of assessments for the
23 properties within its corporate boundaries;

24 c. Through the statutory equalization process, the Legislature has
25 addressed certain difficulties arising from differential assessment
26 levels, by directing county boards of taxation to adjust aggregate
27 assessments to presumed market levels for the purpose of equitable
28 inter-municipal apportionment of county and school tax burdens;
29 however, adequate resources have not been available for the provision
30 of an ongoing adjustment process to address the assessment
31 discrepancies which often arise within individual municipalities;

32 d. When intra-municipal discrepancies become too severe, it is
33 necessary to periodically revalue all parcels of real property within a
34 municipality, in order to reestablish fair and equitable taxation
35 pursuant to the intent of our constitutional mandate, and to avoid
36 costly and time consuming litigation;

37 e. While revaluations are thus necessary to maintain tax equity,
38 implementing a revaluation in a municipality such as the City of
39 Newark will result in "shocking," immediate increases in individual
40 property tax bills, which severely strain the financial resources of many
41 of the remaining property owners, particularly middle-class

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly ALH committee amendments adopted March 11, 1999.

² Assembly AAP committee amendments adopted May 17, 1999.

1 homeowners, and which threaten the stability and viability of
2 long-standing neighborhoods and communities which are often already
3 in need of rehabilitation; and

4 f. It is, therefore, incumbent upon the Legislature, as a compelling
5 public purpose and a matter of the general public welfare in order to
6 preserve the very existence of the largest urban center in the State and
7 to establish and evaluate a procedure which the Legislature may use
8 for other municipalities with similar problems, to provide the City of
9 Newark with the authority to mitigate this fiscal shock by phasing in
10 tax increases in areas determined to be in need of rehabilitation, thus
11 maintaining the stability and viability of those neighborhoods and
12 communities, while requiring the governing body of the City of
13 Newark to conduct and implement a revaluation.

14

15 3. Section 3 of P.L.1993, c.101 (C.54:1-35.41) is amended to read
16 as follows:

17 3. As used in **[this act]** P.L.1993, c.101 (C.54:1-35.39 et seq.) and
18 P.L. , c. (C.) (now pending before the Legislature as this
19 bill):

20 a. "Base year" means the tax year immediately preceding the
21 revaluation year;

22 b. **["Constant rate factor"** means the result obtained by dividing the
23 total tax levy for a municipality, excluding any special district tax
24 levies, for the base year by the net valuation taxable for that
25 municipality for the revaluation year, as both are listed in the Abstract
26 of Ratables and Exemptions compiled from the Table of Aggregates
27 prepared for the municipality pursuant to R.S.54:4-52² **[(Deleted by**
28 amendment, P.L. , c. (now pending before the Legislature as this
29 bill)]²"Constant rate factor" means the result obtained by dividing the
30 total tax law levy for a municipality, excluding any special district tax
31 levies, for the base year by the net valuation taxable for that
32 municipality for the revaluation year, as both are listed in the Abstract
33 of Ratables and Exemptions compiled from the Table of Aggregates
34 prepared for the municipality pursuant to R.S. 54:4-52²;

35 c. "Director" means the Director of the Division of Taxation in the
36 Department of the Treasury;

37 d. "Eligible property" means any parcel of real property containing
38 a building or structure and located within an area declared in need of
39 rehabilitation pursuant to this act in a municipality in which the
40 director and municipal governing body have determined to implement
41 a revaluation phase-in program, and for which the net assessed
42 valuation of that parcel after exemptions and abatements as it appears
43 on the assessor's duplicate for the revaluation year is scheduled to
44 increase from the value as it appeared on the assessor's duplicate for
45 the base year at a ratio equal to or greater than the total ratio change
46 in net valuation taxable of that municipality for the revaluation year;

- 1 e. "Revaluation" means the revaluation of all real property within
2 the corporate boundaries of a municipality, performed under a contract
3 approved by the director pursuant to P.L.1971, c.424 (C.54:1-35.35
4 et seq.);
- 5 f. "Revaluation relief ²~~credit~~ abatement²" means an exemption
6 of that portion of the assessed value of an eligible property which
7 results in a reduction of tax liability² equivalent to the amount
8 deducted from the tax liability of an eligible property, as part of a
9 revaluation phase-in program;
- 10 g. "Revaluation impact study" means a calculation of the difference
11 between the tax liability for each parcel of real property situated within
12 the municipality for the revaluation year without benefit of a
13 revaluation ²~~phase-in credit~~ relief abatement,² and that liability for
14 the base year, and the average of all the differences within appropriate
15 groupings of those parcels, which study is conducted under procedures
16 established by the director and is reviewed and certified by the
17 director;
- 18 h. "Revaluation management analysis" means a revaluation impact
19 study and a revaluation phase-in analysis;
- 20 i. "Revaluation phase-in analysis" means a calculation of the
21 increase in the tax liability for each parcel of eligible property within
22 a municipality between the base year and the revaluation year after
23 application of the ~~constant rate factor~~ ²~~general tax rate~~ constant
24 rate factor,² minus the revaluation relief ²~~credit~~ abatement² the
25 municipality is authorized to allow for that property for each of the
26 ~~three~~ five years of a revaluation phase-in program provided for by
27 this act, and the average of all such calculations within such groupings
28 of those parcels as appropriate which study is conducted under
29 procedures established by the director and is reviewed and certified by
30 the director;
- 31 j. "Revaluation phase-in program" means the provision of
32 revaluation relief ²~~credits~~ abatement² by a municipality for eligible
33 properties pursuant to this act;
- 34 k. "Revaluation year" means the first tax year in which the tax
35 liability of real property within a municipality is determined, pursuant
36 to chapter 4 of Title 54 of the Revised Statutes, on the basis of
37 assessed valuations of the property established by a revaluation within
38 that municipality; ~~and~~
- 39 l. "Area in need of rehabilitation" means a municipality or a portion
40 of a municipality in which at least 60% of the housing units are at least
41 30 years of age; or which has been determined to be an area in need of
42 rehabilitation or redevelopment pursuant to the "Local Redevelopment
43 and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et al.) or a "blighted
44 area" as determined pursuant to the Blighted Area Act, P.L.1949,
45 c.187 (C.40:55-21.1 et seq.); or which has been determined to be in
46 need of rehabilitation pursuant to the "Five-Year Exemption and

1 Abatement Law," P.L.1991, c.441 (C.40A:21-1 et seq.), P.L.1975,
2 c.104 (C.54:4-3.72 et seq.), P.L.1977, c.12 (C.54:4-3.95 et seq.), or
3 P.L.1979, c.233 (C.54:4-3.121 et al.); and
4 m. "Act" means sections 1 through 10 of P.L.1993, c.101 (C.54:1-
5 35.39 et seq.), as amended and supplemented by P.L. , c. (C.)
6 (now pending before the Legislature as this bill).
7 (cf: P.L.1993, c.101, s.3)

8
9 ²4. Section 4 of P.L.1993, c.101 (C54:1-35.42) is amended to read
10 as follows:

11 4. The director and the governing body of a municipality which
12 has undertaken a revaluation may allow revaluation relief **[credits]**
13 abatements for eligible properties as hereinafter provided:

14 a. On or before April 15 of the revaluation year for municipalities
15 operating on the January 1 to December 31 fiscal year, or one week
16 following the date established by law for the adoption of the municipal
17 budget for municipalities operating on the State fiscal year, whichever
18 is appropriate, the governing body of the municipality shall conduct a
19 revaluation management analysis; provided, however, that a
20 municipality which has conducted a revaluation that has not yet been
21 used as the basis for a tax billing as of the effective date of this act
22 may undertake the revaluation management analysis without regard for
23 the deadline established herein. The governing body shall, at the same
24 time, notify the county board of taxation of the county in which the
25 municipality is situated of its intention to conduct a revaluation
26 management analysis.

27 b. Within three days of filling out the Table of Aggregates for the
28 county, the county board of taxation shall transmit to each
29 municipality which has notified the county board of taxation of its
30 intention to conduct a revaluation management analysis certified
31 copies of the assessor's duplicate for the revaluation year and the base
32 year and include a certified copy of the Table of Aggregates for the
33 municipality.

34 c. Upon receipt of the assessor's duplicates and Tables of
35 Aggregates, as provided in subsection b. of this section, and the
36 certified copy of the Table of Aggregates from the county treasurer,
37 as provided in R.S.54:4-52, the municipality shall prepare a
38 revaluation management analysis as soon as practicable thereafter.

39 d. After review of the revaluation management analysis, the
40 governing body of the municipality may determine, by ordinance, to
41 implement a revaluation phase-in program. That ordinance also shall
42 contain a listing of the areas within the municipality declared in need
43 of rehabilitation in accordance with subsection 1. of section 3 of this
44 act. A listing, by block and lot, shall be available for public inspection
45 in the office of the municipal assessor immediately following adoption
46 of the ordinance.

1 e. Upon the adoption of an ordinance pursuant to subsection d. of
 2 this section, the governing body shall immediately notify and transmit
 3 certified copies of the ordinance to the director and the county board
 4 of taxation. In addition, notwithstanding the provisions of
 5 R.S.54:4-64, the governing body shall direct the collector of the taxing
 6 district not to prepare and deliver any tax bills until the county board
 7 of taxation has prepared and delivered a revised tax duplicate for the
 8 municipality. Any collector so directed shall prepare and mail, or
 9 otherwise cause to be delivered, a statement to the individuals assessed
 10 and, if so authorized, to any mortgagee or other agent in substantially
 11 the following form: "The governing body of (municipality) has
 12 determined to phase in tax increases associated with the recently
 13 completed revaluation. Your tax bill incorporating the phase-in will
 14 be forthcoming."²²

15 (cf: P.L.1993, c.101, s.4.)

16

17 ²[4.] 5.² Section 5 of P.L.1993, c.101 (C.54:1-35.43) is amended
 18 to read as follows:

19 5. a. Upon the receipt of a certified copy of the ordinance, the
 20 director shall conduct a final review of the tax duplicate for the
 21 municipality, and make a final determination of which parcels of real
 22 property in the municipality are eligible properties.

23 b. The director shall determine the amount of the revaluation
 24 relief ²[credit] abatement² for each eligible property for the
 25 revaluation year as follows:

26

$$27 \quad RR^2[C]A^2 = [0.75] \underline{0.80} (A-B)$$

28

29 **[here]** where:

30 "RR²[C]A²" equals the revaluation relief ²[credit] abatement² for
 31 the eligible property;

32 "A" equals the tax liability produced by multiplying the **[constant**
 33 **rate factor]** ²[general tax rate] constant rate factor² for the
 34 municipality for the revaluation year times the net assessed value of
 35 the eligible property as it appears on the assessor's duplicate for the
 36 revaluation year; and

37 "B" equals the tax liability produced by multiplying the general tax
 38 rate for the municipality for the base year times the net assessed value
 39 of the eligible property as it appeared on the assessor's duplicate for
 40 the base year.

41 (cf: P.L.1993, c.101, s.5)

42

43 ²6. Section 6 of P.L.1993, c.101 (C.54:1-35.44) is amended to
 44 read as follows:

45 6. a. The director shall certify to the county board of taxation the
 46 aggregate amount of revaluation relief **[credits]** abatements to be

1 allowed eligible properties within the municipality. The county board
2 of taxation shall forthwith prepare a revised Table of Aggregates. In
3 the revised Table of Aggregates, the board shall include, as part of the
4 amount which must be raised for local municipal purposes through
5 taxation, the aggregate amount of the revaluation relief **[credits]**
6 abatements to be allowed eligible properties within the municipality.
7 The revised Table of Aggregates for the municipality shall be signed
8 and transmitted as provided in R.S.54:4-52.

9 b. The director shall provide, at the same time, the county board of
10 taxation with a certified list of the eligible properties within the
11 municipality and the amount of the revaluation relief **[credit]**
12 abatement to which each is entitled. The county board shall
13 immediately thereafter cause the corrected, revised and completed
14 duplicate, certified by it to be a true record of the taxes assessed, to
15 be delivered to the collector of the municipality. The revised tax list
16 shall remain in the office of the board as a public record. Thereafter
17 neither the assessor nor the collector shall make or cause to be made
18 any change or alteration in the tax duplicate except as may be provided
19 by law.²

20 (cf: P.L.1993, c.101, s.6)

21

22 ²7. Section 7 of P.L.1993, c.101 (C.54:1-35.45) is amended to
23 read as follows:

24 7. a. As soon as the tax duplicate is delivered to the collector of
25 the municipality, the collector shall proceed with the work of
26 preparing, completing, mailing or otherwise delivering tax bills to the
27 individuals assessed pursuant to R.S.54:4-64 and R.S.54:4-66.

28 b. The tax bill shall be in a form prescribed by the Director of the
29 Division of Local Government Services in the Department of
30 Community Affairs, after consultation with the director, and shall
31 include, in addition to such other information as may be required by
32 law, rule or regulation, notification **[that]** as to whether and to what
33 extent the local municipal purposes tax rate for the municipality
34 includes a rate to support the revaluation phase-in program. The bill
35 shall also indicate the amount of the revaluation relief **[credit]**
36 abatement the taxpayer received for his eligible property.²

37 (cf. P.L.1993, c.101, s.7)

38

39 ²**[5]** 8.² Section 9 of P.L.1993, c.101 (C.54:1-35.47) is amended
40 to read as follows:

41 9. Revaluation relief ²**[credits]** abatements² for eligible properties
42 in the revaluation year shall continue to be provided in the first **[and]**,
43 second and third tax year next following the revaluation year.

44 For the first **[and]**, second and third year following the revaluation
45 year, the director shall calculate, forthwith each year upon the receipt
46 of a certified copy of a resolution from the municipality, the amount

1 of the revaluation relief ²**[credit]** abatement² for each eligible
2 property.

3 For the purposes of this section:

4 "RR ²**[C]**A"² equals the revaluation relief ²**[credit]** abatement² for
5 the eligible property;

6 "A" equals the tax liability produced by multiplying the **[constant**
7 **rate factor]** ²**[general tax rate]** constant rate factor² for the
8 municipality for the revaluation year by the net assessed value of the
9 eligible property as it appeared on the assessor's duplicate for the
10 revaluation year; and

11 "B" equals the tax liability produced by multiplying the general tax
12 rate for the municipality for the base year by the net assessed value of
13 the eligible property as it appeared on the assessor's duplicate for the
14 base year.

15 For the first tax year next following the revaluation year, the
16 director shall determine the amount of the revaluation relief ²**[credit]**
17 abatement² as follows:

18

$$19 \quad RR^2[C]A^2 = [0.50] \underline{0.60} (A-B)$$

20

21 For the second tax year next following the revaluation year, the
22 director shall determine the amount of the revaluation relief ²**[credit]**
23 abatement² for each eligible property as follows:

24

$$25 \quad RR^2[C]A^2 = [0.25] \underline{0.40} (A-B)$$

26

27 For the third year next following the revaluation year, the director
28 shall determine the amount of the revaluation relief ²**[credit]**
29 abatement² for each eligible property as follows:

30

$$31 \quad RR^2[C]A^2 = 0.20 (A-B)$$

32

33 For the fourth year next following the revaluation year, there shall
34 be no revaluation relief ²**[credit]** abatement² given, and all properties
35 shall be assessed and taxed at their taxable value.

36 In each of those tax years the director shall certify to the county
37 board of taxation the aggregate amount of revaluation relief ²**[credits]**
38 abatements² to be provided for eligible properties within the
39 municipality, and shall provide the county board of taxation with a
40 certified list of eligible properties within the municipality and the
41 amount of the revaluation relief ²**[credit]** abatement² to which each is
42 entitled. The county board of taxation shall incorporate the
43 information provided on that list into the tax duplicate prepared for the
44 taxing district pursuant to R.S.54:4-55.

45 (cf: P.L.1993, c.101, s.9)

1 ²9. Section 10 of P.L.1993, c.101 (C.54:1-35.48) is amended to
2 read as follows:

3 10. The provision of revaluation relief **[credits]** abatements
4 pursuant to this act shall not result in any tax year in a tax liability for
5 an eligible property which is less than the tax liability for the base
6 year.²

7 (cf: P.L.1993, c.101, s.10)

8

9 ²[6. Section 5 of P.L.1981, c.77 (C.40:48E-5) is amended to read
10 as follows:

11 5. a. For any calendar year, the owner of a hotel shall be required
12 to pay the **[greater of the]** real property tax (defined to be the
13 payment of ad valorem taxes or payment in lieu of taxes or payment
14 of annual service charges) **[or]** and the hotel use or occupancy tax**],**
15 to be calculated as follows:

16 (1) If the quarterly installment of the real property tax is less than
17 the quarterly installment of the hotel use or occupancy tax, the owner
18 shall be required to pay only the hotel use or occupancy tax.

19 (2) If the quarterly installment of the real property tax is greater
20 than the quarterly installment of the hotel use or occupancy tax, the
21 owner shall be required to pay the hotel use or occupancy tax, and, in
22 addition, the owner shall be required to make a supplemental payment.
23 For the purposes of this section, "supplemental payment" means an
24 amount equal to the excess of the real property tax installment over
25 the hotel use or occupancy tax installment.

26 b. At the end of the calendar year, the total hotel use or occupancy
27 tax payments made during the year shall be adjusted as follows:

28 (1) If the total of the hotel use or occupancy tax payments,
29 excluding any supplemental payments, made during the year exceeds
30 the total real property tax for that year, the city shall refund to the
31 owner the total amount of the supplemental payments, if any, made
32 during the year; or

33 (2) If the total of the hotel use or occupancy tax payments,
34 excluding any supplemental payments, made during the year does not
35 exceed the total real property tax for the year, and if the total of the
36 hotel use or occupancy tax payments and supplemental payments made
37 during the year does exceed the total real property tax for the year, the
38 city shall refund to the owner the difference between: (a) the total
39 property tax paid and (b) the sum of the hotel or occupancy tax paid
40 plus the supplemental payments paid.

41 c. The refunds shall be paid to the owner without interest by July
42 1 of the succeeding year or 15 days after the adoption of the annual
43 budget by the municipal council, whichever is later.

44 d. No refund shall be made in any year in which the owner has
45 failed to be current in its hotel use or occupancy tax, including any
46 supplemental payments required under this section. For the purposes

1 of this section, "current" means that quarterly installments of tax have
2 been paid in accordance with R.S.54:4-66].

3 (cf: P.L.1991, c.23, s.1)]²

4

5 ²[7. (New section) In addition to any parking tax imposed
6 pursuant to section 6 of P.L.1970, c.326 (C.40:48C-6) the
7 municipality, by ordinance, may impose a revaluation relief surcharge,
8 not to exceed an additional 4%, on fees for parking, garaging, or
9 storing of motor vehicles, other than parking in a garage which is part
10 of premises occupied solely as a private one- or two-family dwelling.
11 For the purposes of this section, in the case where any parking facility
12 situated within two contiguous municipalities authorized under section
13 1 of P.L.1970, c.326 (C.40:48C-1) and section 2 of P.L.1987, c.21
14 (C.40:48C-1.2), the surcharge authorized herein may only be imposed
15 on fees attributable to that portion of any parking facility which is
16 situated within the physical boundaries of the municipality.]²

17

18 ²[8. (New section) Notwithstanding sections 5, 8 and 19 of
19 P.L.1970, c.326 (C.40:48C-5, 40:48C-8 and ¹[30:48C-19] 40:48C-
20 19¹) any tax imposed by the City of Newark pursuant to the "Local
21 Tax Authorization Act," P.L.1970, c.326 (C.40:48C-1 et seq.),
22 ¹[and]¹ may be continued by the City of Newark until January 1 of the
23 fourth year next following the year in which the revaluation required
24 pursuant to P.L. , c. (C.) (now pending before the Legislature
25 as this bill) is implemented or until the date on which the tax expires,
26 whichever is later, and any surcharge on those taxes authorized under
27 P.L. , c. (C.) (now pending before the Legislature as this
28 bill), may be continued by the City of Newark until January 1 of the
29 fourth year next following the year in which the revaluation required
30 pursuant to P.L. , c. (C.) (now pending before the Legislature
31 as this bill) is implemented.]²

32

33 ²[9. (New section) The City of Newark is hereby authorized and
34 empowered to enact an ordinance imposing a tax on sales of fuels
35 taxed pursuant to chapter 39 of Title 54 of the Revised Statutes sold
36 or delivered to the consumer thereof in that municipality and
37 specifying the rate of the tax. That tax shall be in addition to the tax
38 imposed by such chapter and shall be administered and collected by the
39 Director of the Division of Taxation pursuant to chapter 39 of Title 54
40 of the Revised Statutes and the State Tax Uniform Procedure Law,
41 R.S.54:48-1 et seq. That additional tax shall be imposed upon those
42 persons who now pay to the director the tax imposed by chapter 39 of
43 Title 54 of the Revised statutes to the extent that such persons have
44 reason to believe such fuel is intended for sale or delivery to the
45 consumer thereof in such municipality. In the event that the additional

1 tax has not been paid for any motor fuel which is delivered for sale or
 2 delivery within the municipality to the consumer thereof, the additional
 3 tax shall be imposed upon the person making such delivery and said
 4 person shall pay the tax to the director, and the failure of such person
 5 to so pay and remit the tax shall constitute a violation of P.L. , c.
 6 (C.) (pending before the Legislature as this bill).²

7
 8 ²[10. (New section) All receipts collected by the Director of the
 9 Division of Taxation in the Department of the Treasury with respect
 10 to an additional tax imposed by an ordinance adopted pursuant to
 11 section 9 of P.L. , c. (C.) (now pending before the
 12 Legislature as this bill), shall be paid by the State Treasurer to the City
 13 of Newark upon certification of the director to the chief financial
 14 officer of such municipality on or before the tenth day of each month
 15 following receipt thereof by the director.]²

16
 17 ²[11. (New section) Any ordinance and any amendment thereof
 18 adopted pursuant to section 9 of P.L. , c. (C.) (now pending
 19 before the Legislature as this bill) shall apply to sales of motor fuels on
 20 and after the first day of the month following the filing of a certified
 21 copy thereof with the Director of the Division of Taxation in the
 22 Department of the Treasury and the Director of the Division of Local
 23 Government Services in the Department of Community Affairs.]²

24
 25 ²10.(New section) Notwithstanding any provisions of sections 8
 26 and 19 of P.L.1970, c.326 (C.40:48C-8 and 40:48C-19) to the
 27 contrary, a municipality as defined in section 1 of P.L.1970, c.326
 28 (C.40:48C-1) that undertakes a revaluation by entering into a contract
 29 approved by the director for the completion of a revaluation, and
 30 enters into that contract within 360 days following the effective date
 31 of P.L. , c. (C.)(now pending before the Legislature as this
 32 bill) pursuant to P.L.1993, c.101 (C.54:1-35.39 et seq.) is authorized
 33 to impose the taxes authorized by articles 3 and 5 of P.L.1970, c.326
 34 until January 1 of the fourth year next following the revaluation year
 35 or until the date on which the tax expires, whichever is later.²

36
 37 ²[12]²[11.² (New section) ²[a. No tax shall be imposed under any
 38 ordinance adopted pursuant to section 9 P.L. , c. (C.)
 39 (now pending before the Legislature as this bill), and no surcharge
 40 shall be imposed under any ordinance adopted pursuant to section 7 of
 41 P.L. , c. (C.) (now pending before the Legislature as this
 42 bill), on or after the first day of the first month next following the fifth
 43 year after enactment of P.L. , c. (C.) (now pending before
 44 the Legislature as this bill).

45 b.]² All monies received by the City of Newark pursuant to a tax
 46 ²[or surcharge]² imposed pursuant to ²[sections 7 or 9] section 10²

1 of P.L. , c. , (C.) (now pending before the Legislature as
2 this bill) shall be used for the sole purpose of funding revaluation relief
3 ²**[credits]** abatements. The procedures and safeguards to implement
4 the requirement that funds be used for the sole purpose of funding
5 revaluation relief shall be as the Director of the Division of Local
6 Government Services in the Department of Community Affairs shall
7 prescribe.²

8
9 ²**[13.]12.² (New section) Prior to imposition of any ²**[new]² tax
10 ²**[or surcharge]² authorized by P.L. , c. (C.) (now
11 pending before the Legislature as this bill), the ²**[Director of the**
12 **Division of Local Government Services in the Department of**
13 **Community Affairs]** director² shall present a plan to the Legislature,
14 in consultation with the Essex County Board of Taxation, the tax
15 assessor for the City of Newark, and the mayor and city council of the
16 City of Newark, to maintain assessments at market value following
17 implementation of the revaluation²; and, prior to the imposition of any
18 tax authorized by P.L. , c. (C.) (now pending before the
19 Legislature as this bill), the Director of the Division of Local
20 Government Services in the Department of Community Affairs, in
21 consultation with the city, shall present to the Legislature a plan for
22 assuring that the requirements of section 11 of P.L. , c. (C.)
23 (now pending before the Legislature as this bill) that funds be used for
24 the sole purpose of funding revaluation relief will be fulfilled; and
25 provided further that the city shall report annually, on or before April
26 1 of the year following the revaluation year and each of the three years
27 thereafter, on the implementation of that plan, the expenditure of those
28 funds, and the impact of the plan on the level of expenditures in the
29 city budget².******

30
31 ²**[14.] 13.² This act shall take effect immediately.**