

**SENATE, No. 163**

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**STATE OF NEW JERSEY**

**220th LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

**Sponsored by:**

**Senator CHRISTOPHER J. CONNORS**  
**District 9 (Atlantic, Burlington and Ocean)**  
**Senator JAMES BEACH**  
**District 6 (Burlington and Camden)**

**Co-Sponsored by:**

**Senators Holzapfel, Stanfield, Thompson and Diegnan**

**SYNOPSIS**

Requires State reimbursement to municipalities of cost of disabled veterans' total property tax exemption.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 10/13/2022)**

1 AN ACT concerning the disabled veterans' total property tax  
2 exemption and amending R.S.54:4-52 and supplementing chapter  
3 4 of Title 54 of the Revised Statutes.  
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:  
7

8 1. (New section) The State shall annually reimburse each  
9 taxing district in an amount equal to 102 percent of the amount of  
10 any disabled veterans' total property tax exemptions permitted by  
11 that taxing district in the current tax year pursuant to section 1 of  
12 P.L.1948, c.259 (C.54:4-3.30).  
13

14 2. (New section) On or before June 1 of each year, each tax  
15 assessor shall certify to the county tax board the number of disabled  
16 veterans receiving the veterans' total property tax exemption  
17 provided for in section 1 of P.L.1948, c.259 (C.54:4-3.30), and the  
18 total amount of all such exemptions.

19 On or before June 15 of each year, each county board of taxation  
20 shall, on a form prescribed by the director, certify to the director  
21 from the tax lists certified with it for each taxing district for the  
22 current tax year the following:

23 a. Number of disabled veterans' total property tax exemptions  
24 allowed for the current tax year;

25 b. Total dollar amount of disabled veterans' total property tax  
26 exemptions allowed for the current tax year;

27 c. Separately, the number and dollar amount of disabled  
28 veterans' total property tax exemptions allowed or disallowed, as  
29 certified by the tax collector, from the time of certification made the  
30 previous year and prior to certification for the current year;

31 d. The totals for a., b., and c. above, by district and for the  
32 county as a whole.  
33

34 3. (New section) For each year, each county board of taxation  
35 shall include in the table of aggregates prepared pursuant to R.S.  
36 54:4-52 the full estimated amount of the disabled veterans' total  
37 property tax exemptions as provided for in section 1 of P.L.1948,  
38 c.259 (C.54:4-3.30), but that amount shall not be included in the  
39 total on which the tax rate is to be computed.  
40

41 4. R.S.54:4-52 is amended to read as follows:

42 54:4-52. The county board of taxation shall, on or before May  
43 20, or on or before May 31 in the case of a county board of taxation  
44 participating in the demonstration program established in section 4  
45 of P.L.2013, c.15 (C.54:1-104), fill out a table of aggregates copied

**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 from the duplicates of the several assessors and the certifications of  
2 the Director of the Division of Taxation relating to second-class  
3 railroad property, and enumerating the following items:  
4 (1) The total number of acres and lots assessed;  
5 (2) The value of the land assessed;  
6 (3) The value of the improvements thereon assessed;  
7 (4) The total value of the land and improvements assessed,  
8 including:  
9 a. Second-class railroad property;  
10 b. All other real property.  
11 (5) The value of the personal property assessed, stating in  
12 separate columns:  
13 a. Value of household goods and chattels assessed;  
14 b. Value of farm stock and machinery assessed;  
15 c. Value of stocks in trade, materials used in manufacture and  
16 other personal property assessed under section 54:4-11;  
17 d. Value of all other tangible personal property used in  
18 business assessed.  
19 (6) Deductions allowed, stated in separate columns:  
20 a. Household goods and other exemptions under the provisions  
21 of section 54:4-3.16 of this Title;  
22 b. Property exempted under section 54:4-3.12 of this Title.  
23 (7) The net valuation taxable;  
24 (8) Amounts deducted under the provisions of sections 54:4-49  
25 and 54:4-53 of this Title or any other similar law (adjustments  
26 resulting from prior appeals);  
27 (9) Amounts added under any of the laws mentioned in  
28 subdivision 8 of this section (like adjustments);  
29 (10) Amounts added for equalization under the provisions of  
30 sections 54:3-17 to 54:3-19 of this Title;  
31 (11) Amounts deducted for equalization under the provisions of  
32 sections 54:3-17 to 54:3-19 of this Title;  
33 (12) Net valuation on which county, State and State school  
34 taxes are apportioned;  
35 (13) The number of polls assessed;  
36 (14) The amount of dog taxes assessed;  
37 (15) The property exempt from taxation under the following  
38 special classifications:  
39 a. Public school property;  
40 b. Other school property;  
41 c. Public property;  
42 d. Church and charitable property;  
43 e. Cemeteries and graveyards;  
44 f. Other exemptions not included in foregoing classifications  
45 subdivided showing exemptions of real property and exemptions of  
46 personal property;  
47 g. The number of disabled veterans receiving the disabled  
48 veterans' total property tax exemption provided for in section 1 of

1 P.L.1948, c.259 (C.54:4-3.30) and the total amount of all such  
2 exemptions;

3 h. The total amount of exempt property.

4 (16) State road tax;

5 (17) State school tax;

6 (18) County taxes apportioned, exclusive of bank stock taxes;

7 (19) Local taxes to be raised, exclusive of bank stock taxes,  
8 subdivided as follows:

9 a. District school tax;

10 b. Other local taxes.

11 (20) Total amount of miscellaneous revenues, including surplus  
12 revenue appropriated, for the support of the taxing district budget,  
13 which, for a municipality operating under the State fiscal year, shall  
14 be the amounts for the fiscal year ending June 30 of the year in  
15 which the table is prepared;

16 (21) District court taxes;

17 (22) Library tax;

18 (23) Bank stock taxes due taxing district;

19 (24) Tax rate for local taxing purposes to be known as general  
20 tax rate to apply per \$100.00 of valuation, which general tax rate  
21 shall be rounded up to the nearest one-half penny after receipt in  
22 any year of a municipal resolution submitted to the county tax board  
23 on or before April 1 of that tax year requesting that the general tax  
24 rate be rounded up to the nearest one-half penny.

25 For municipalities operating under the State fiscal year, the  
26 amount for local municipal purposes shall be the amount as  
27 certified pursuant to section 16 of P.L.1994, c.72 (C.40A:4-12.1).  
28 The table shall also include a footnote showing the amount raised  
29 by taxation for municipal purposes as shown in the State fiscal year  
30 budget ending June 30 of the year the table is prepared.

31 In addition to the above such other matters may be added, or  
32 such changes in the foregoing items may be made, as may from  
33 time to time be directed by the Director of the Division of Taxation.  
34 The forms for filling out tables of aggregates shall be prescribed by  
35 the director and sent by him to the county treasurers of the several  
36 counties to be by them transmitted to the county board of taxation.  
37 Such table of aggregates shall be correctly added by columns and  
38 shall be signed by the members of the county board of taxation and  
39 shall within three days thereafter be transmitted to the county  
40 treasurer who shall file the same and forthwith cause it to be printed  
41 in its entirety and shall transmit certified copy of same to the  
42 Director of the Division of Taxation, the State Auditor, the Director  
43 of the Division of Local Government Services in the Department of  
44 Community Affairs, the clerk of the board of freeholders, and the  
45 clerk of each municipality in the county.

46 (cf: P.L.2013. c.15, s.16)

47  
48 5. (New section) The Director of the Division of Taxation in

1 the Department of the Treasury may inspect all records in the office  
2 of the collector and the assessor with respect to claims and  
3 allowances for the disabled veterans' total property tax exemption  
4 provided for in section 1 of P.L.1948, c.259 (C.54:4-3.30).

5  
6 6. (New section) The Director of the Division of Taxation in  
7 the Department of the Treasury is authorized to adopt regulations  
8 pursuant to the "Administrative Procedure Act," P.L.1968,  
9 c.410 (C.52:14B-1 et seq.) necessary to effectuate the provisions of  
10 P.L. , c. (C. ) (now pending before the Legislature as this  
11 bill).

12  
13 7. This act shall take effect immediately.  
14  
15

16 STATEMENT  
17

18 This bill would require the State to annually reimburse each  
19 municipality for the cost of complying with the State mandate of  
20 affording disabled veterans with a total exemption from property  
21 taxation. The bill would require the State to cover the cost of the  
22 actual taxes exempted plus the administrative costs incurred by  
23 municipalities in connection with the reimbursement program.

24 Under current law, each municipality must individually make up  
25 for any lost revenue resulting from a parcel of property being  
26 exempted from property taxation because of its ownership by a  
27 disabled veteran. This often results in an increase in taxes to other  
28 property taxpayers in the municipality or a reduction in municipal  
29 services. Because the number of qualifying disabled veterans varies  
30 from municipality to municipality, compliance with the State policy  
31 to exempt disabled veterans' property taxes impacts upon some  
32 municipalities more greatly than on others resulting in inequity.  
33 This bill would put an end to that inequity by having the State  
34 reimburse each municipality for the cost of complying with the  
35 State mandate of affording disabled veterans with a total exemption  
36 from property taxation.