

ASSEMBLY, No. 296

STATE OF NEW JERSEY

220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

Sponsored by:

Assemblyman MICHAEL TORRISSI, JR.
District 8 (Atlantic, Burlington and Camden)
Assemblyman BRANDON E. UMBA
District 8 (Atlantic, Burlington and Camden)

Co-Sponsored by:

Assemblymen McGuckin, Catalano, Assemblywomen Piperno and Eulner

SYNOPSIS

Extends senior freeze benefits to certain senior citizens and disabled persons who have continuously resided in New Jersey for three years.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 5/2/2022)

1 AN ACT concerning eligibility for the homestead property tax
2 reimbursement program and amending P.L.1997, c.348.

3

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

6

7 1. Section 1 of P.L.1997, c.348 (C.54:4-8.67) is amended to
8 read as follows:

9 1. As used in this act:

10 "Base year" means, in the case of a person who is an eligible
11 claimant on or before December 31, 1997, the tax year 1997; and in
12 the case of a person who first becomes an eligible claimant after
13 December 31, 1997, the tax year in which the person first becomes
14 an eligible claimant. In the case of an eligible claimant who
15 subsequently moves from the homestead for which the initial
16 eligibility was established, the base year shall be the first full tax
17 year during which the person resides in the new homestead.
18 Provided, however, a base year for an eligible claimant after such a
19 move shall not apply to tax years commencing prior to January 1,
20 2009. The base year for an eligible claimant who did not meet the
21 criteria for an eligible claimant established prior to enactment of
22 P.L. , c. (C.) (pending before the Legislature as this bill)
23 shall not be earlier than the tax year beginning January 1, 2021.

24 "Commissioner" means the Commissioner of Community
25 Affairs.

26 "Director" means the Director of the Division of Taxation.

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

30 "Cooperative" means a housing corporation or association which
31 entitles the holder of a share or membership interest thereof to
32 possess and occupy for dwelling purposes a house, apartment or
33 other unit of housing owned or leased by the corporation or
34 association, or to lease or purchase a unit of housing constructed or
35 to be constructed by the corporation or association.

36 "Disabled person" means an individual receiving monetary
37 payments pursuant to Title II of the federal Social Security Act (42
38 U.S.C. s.401 et seq.) on December 31, 1998, or on December 31 in
39 all or any part of the year for which a homestead property tax
40 reimbursement under this act is claimed.

41 "Dwelling house" means any residential property assessed as real
42 property which consists of not more than four units, of which not
43 more than one may be used for commercial purposes, but shall not
44 include a unit in a condominium, cooperative, horizontal property
45 regime or mutual housing corporation.

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 "Eligible claimant" means a person who:
2 is 65 or more years of age, or who is a disabled person;
3 is an owner of a homestead, or the lessee of a site in a mobile
4 home park on which site the applicant owns a manufactured or
5 mobile home;
6 has an annual income of less than \$17,918 in tax year 1998, less
7 than \$18,151 in tax year 1999, or less than \$37,174 in tax year
8 2000, if single, or, if married, whose annual income combined with
9 that of the spouse is less than \$21,970 in tax year 1998, less than
10 \$22,256 in tax year 1999, or less than \$45,582 in tax year 2000,
11 which income eligibility limits for single and married persons shall
12 be subject to adjustments in tax years 2001 through 2006 pursuant
13 to section 9 of P.L.1997, c.348 (C.54:4-8.68);
14 has an annual income of \$60,000 or less in tax year 2007,
15 \$70,000 or less in tax year 2008, or \$80,000 or less in tax year
16 2009, if single or married, which income eligibility limits shall be
17 subject to adjustments in subsequent tax years pursuant to section 9
18 of P.L.1997, c.348 (C.54:4-8.68);
19 **【as a renter or homeowner,】** has made a **【long-term】**
20 contribution to the fabric, social structure, and finances of one or
21 more communities in this State, as demonstrated through the
22 payment of property taxes directly **【, or through rent,】** or indirectly
23 on any homestead **【or rental unit】** used as a principal residence in
24 this State for at least **【10 consecutive years at least three of which】**
25 three consecutive years as owner of the homestead for which a
26 homestead property tax reimbursement is sought **【prior to】** , which
27 three years shall immediately precede the date that an initial
28 application for a homestead property tax reimbursement is filed. A
29 person who has been an eligible claimant for a previous tax year
30 shall qualify as an eligible claimant beginning the second full tax
31 year following a move to another homestead in New Jersey, despite
32 not meeting the three-year minimum residency and ownership
33 requirement required for initial claimants under this paragraph;
34 provided that the person satisfies the income eligibility limits for
35 the tax year. Provided, however, eligibility beginning in a second
36 full tax year after such a move shall not apply to tax years
37 commencing prior to January 1, 2010.
38 "Homestead" means:
39 a dwelling house and the land on which that dwelling house is
40 located which constitutes the place of the eligible claimant's
41 domicile and is owned and used by the eligible claimant as the
42 eligible claimant's principal residence;
43 a site in a mobile home park equipped for the installation of
44 manufactured or mobile homes, where these sites are under
45 common ownership and control for the purpose of leasing each site
46 to the owner of a manufactured or mobile home for the installation

1 thereof and such site is used by the eligible claimant as the eligible
2 claimant's principal residence;

3 a dwelling house situated on land owned by a person other than
4 the eligible claimant which constitutes the place of the eligible
5 claimant's domicile and is owned and used by the eligible claimant
6 as the eligible claimant's principal residence;

7 a condominium unit or a unit in a horizontal property regime or a
8 continuing care retirement community which constitutes the place
9 of the eligible claimant's domicile and is owned and used by the
10 eligible claimant as the eligible claimant's principal residence.

11 In addition to the generally accepted meaning of "owned" or
12 "ownership," a homestead shall be deemed to be owned by a person
13 if that person is a tenant for life or a tenant under a lease for 99
14 years or more, is entitled to and actually takes possession of the
15 homestead under an executory contract for the sale thereof or under
16 an agreement with a lending institution which holds title as security
17 for a loan, or is a resident of a continuing care retirement
18 community pursuant to a contract for continuing care for the life of
19 that person which requires the resident to bear, separately from any
20 other charges, the proportionate share of property taxes attributable
21 to the unit that the resident occupies;

22 a unit in a cooperative or mutual housing corporation which
23 constitutes the place of domicile of a residential shareholder or
24 lessee therein, or of a lessee or shareholder who is not a residential
25 shareholder therein, which is used by the eligible claimant as the
26 eligible claimant's principal residence.

27 "Homestead property tax reimbursement" means payment of the
28 difference between the amount of property tax or site fee
29 constituting property tax due and paid in any year on any
30 homestead, exclusive of improvements not included in the
31 assessment on the real property for the base year, and the amount of
32 property tax or site fee constituting property tax due and paid in the
33 base year, when the amount paid in the base year is the lower
34 amount; but such calculations shall be reduced by any current year
35 property tax reductions or reductions in site fees constituting
36 property taxes resulting from judgments entered by county boards
37 of taxation or the State Tax Court.

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

41 "Manufactured home" or "mobile home" means a unit of housing
42 which:

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

46 (2) Is built on a permanent chassis;

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

1 (4) Is manufactured in accordance with the standards
2 promulgated for a manufactured home by the Secretary of the
3 United States Department of Housing and Urban Development
4 pursuant to the "National Manufactured Housing Construction and
5 Safety Standards Act of 1974," Pub.L.93-383
6 (42 U.S.C. s.5401 et seq.), and the standards promulgated for a
7 manufactured or mobile home by the commissioner pursuant to the
8 "State Uniform Construction Code Act," P.L.1975, c.217
9 (C.52:27D-119 et seq.).

10 "Mobile home park" means a parcel of land, or two or more
11 parcels of land, containing no fewer than 10 sites equipped for the
12 installation of manufactured or mobile homes, where these sites are
13 under common ownership and control for the purpose of leasing
14 each site to the owner of a manufactured or mobile home for the
15 installation thereof, and where the owner or owners provide
16 services, which are provided by the municipality in which the park
17 is located for property owners outside the park, which services may
18 include but shall not be limited to:

- 19 (1) The construction and maintenance of streets;
- 20 (2) Lighting of streets and other common areas;
- 21 (3) Garbage removal;
- 22 (4) Snow removal; and
- 23 (5) Provisions for the drainage of surface water from home sites
24 and common areas.

25 "Mutual housing corporation" means a corporation not-for-profit,
26 incorporated under the laws of this State on a mutual or cooperative
27 basis within the scope of section 607 of the Langham Act (National
28 Defense Housing), Pub.L.849, (42 U.S.C. s.1521 et seq.), as
29 amended, which acquired a National Defense Housing Project
30 pursuant to that act.

31 "Income" means income as determined pursuant to P.L.1975,
32 c.194 (C.30:4D-20 et seq.).

33 "Principal residence" means a homestead actually and
34 continually occupied by an eligible claimant as his or her permanent
35 residence, as distinguished from a vacation home, property owned
36 and rented or offered for rent by the claimant, and other secondary
37 real property holdings.

38 "Property tax" means the general property tax due and paid as set
39 forth in this section, and shall include the amount of property tax
40 credit as defined in section 1 of P.L.2018, c.11 (C.54:4-66.6), on a
41 homestead, but does not include special assessments and interest
42 and penalties for delinquent taxes. For the sole purpose of
43 qualifying for a benefit under P.L.1997, c.348 (C.54:4-8.67 et seq.),
44 property taxes paid by June 1 of the year following the year for
45 which the benefit is claimed will be deemed to be timely paid.

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

1 "Tax year" means the calendar year in which a homestead is
2 assessed and the property tax is levied thereon and it means the
3 calendar year in which income is received or accrued.
4 (cf: P.L.2018, c.11, s.11)

5
6 2. This act shall take effect immediately.

7
8
9 STATEMENT

10
11 This bill would change the residency requirements for the
12 homestead property tax reimbursement program, commonly known
13 as the "senior freeze" program, which reimburses eligible senior
14 citizens and disabled persons for property tax or mobile home park
15 site fee increases on their principal residence.

16 Currently, to be eligible for the program, a senior citizen or
17 disabled person is required to have maintained a principal residence
18 in New Jersey for at least ten consecutive years, at least three of
19 which are as a homeowner. The bill changes this requirement by
20 extending eligibility to senior citizens and disabled persons who
21 have continuously maintained a principal residence in New Jersey
22 as a homeowner for the immediately preceding three years.