

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1223

STATE OF NEW JERSEY

DATED: JANUARY 12, 2023

The Senate Community and Urban Affairs Committee reports favorably Assembly Bill No. 1223.

This bill authorizes municipalities to adopt or amend their ordinances allowing for short-term tax exemptions and abatements in areas in need of rehabilitation to allow a subsequent purchaser of a dwelling located within an area in need of rehabilitation to submit an application for a short-term tax exemption or abatement for improvements that were made to the dwelling by the prior owner. The bill is to also require the owner of a dwelling located in an area in which short-term tax exemptions and abatements are allowed, which owner has completed improvements to the dwelling, but has not submitted an application to the assessor for a tax exemption or abatement, to provide notice to that effect to the subsequent purchaser of the dwelling at the time of entering into a contract of sale for the dwelling.

Specifically, the bill allows municipalities that adopt ordinances providing for short-term tax exemptions and abatements for improvements to dwellings to provide that, in the event a claimant has not filed an application with the assessor within 30 days following the completion of improvements to a dwelling, a purchaser of the dwelling may file an application with the assessor within the later of one year of the date of completion of the improvements, or within one year of the date of the purchase of the dwelling. This is to provide the subsequent purchaser of a dwelling, in municipalities allowing it, a window of opportunity to submit an application for an exemption or abatement which, if granted will provide the new owner a period of time to take appropriate action based upon this financial obligation.

As reported by the committee, Assembly Bill No. 1223 is identical to Senate Bill No. 378, which was also reported by the committee on this date.