

**ASSEMBLY CONCURRENT
RESOLUTION No. 26**

**STATE OF NEW JERSEY
216th LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2014 SESSION

Sponsored by:

Assemblyman REED GUSCIORA

District 15 (Hunterdon and Mercer)

Assemblyman RALPH R. CAPUTO

District 28 (Essex)

Assemblyman HERB CONAWAY, JR.

District 7 (Burlington)

Assemblyman PAUL D. MORIARTY

District 4 (Camden and Gloucester)

Co-Sponsored by:

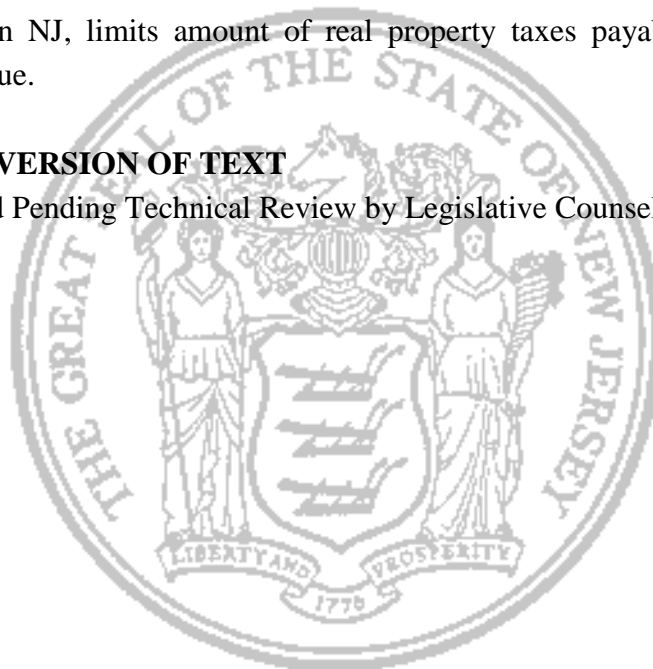
Assemblymen Mainor and S.Kean

SYNOPSIS

Proposition NJ, limits amount of real property taxes payable to 2.2% of equalized value.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



(Sponsorship Updated As Of: 11/17/2015)

1 **A CONCURRENT RESOLUTION** proposing to amend Article VIII,
2 Section 1, paragraph 1 of the New Jersey Constitution,
3 designated as Proposition NJ.
4

5 **BE IT RESOLVED** by the General Assembly of the State of New
6 Jersey (the Senate concurring):
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8 1. The following proposed amendment to the Constitution of
9 the State of New Jersey is agreed to:
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11 **PROPOSED AMENDMENT**
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13 Amend Article VIII, Section I, paragraph 1 to read as follows:

14 1. (a) Property shall be assessed for taxation under general laws
15 and by uniform rules. All real property assessed and taxed locally or
16 by the State for allotment and payment to taxing districts shall be
17 assessed according to the same standard of value, except as
18 otherwise permitted herein, and such real property shall be taxed at
19 the general tax rate of the taxing district in which the property is
20 situated, for the use of such taxing district; provided, however, that
21 any portion of the resulting ad valorem real property tax that
22 exceeds 2.2 percent of the equalized value of the real property shall
23 not be billed or payable. The Legislature shall annually appropriate
24 from the Property Tax Relief Fund such funds as may be necessary
25 to reimburse each municipality for the total amount of uncollected
26 ad valorem real property tax revenue resulting from this 2.2 percent
27 limit on ad valorem real property taxes billable and payable.

28 (b) The Legislature shall enact laws to provide that the value of
29 land, not less than 5 acres in area, which is determined by the
30 assessing officer of the taxing jurisdiction to be actively devoted to
31 agricultural or horticultural use and to have been so devoted for at
32 least the 2 successive years immediately preceding the tax year in
33 issue, shall, for local tax purposes, on application of the owner, be
34 that value which such land has for agricultural or horticultural use.

35 Any such laws shall provide that when land which has been
36 valued in this manner for local tax purposes is applied to a use other
37 than for agriculture or horticulture it shall be subject to additional
38 taxes in an amount equal to the difference, if any, between the taxes
39 paid or payable on the basis of the valuation and the assessment
40 authorized hereunder and the taxes that would have been paid or
41 payable had the land been valued and assessed as otherwise
42 provided in this Constitution, in the current year and in such of the
43 tax years immediately preceding, not in excess of 2 such years in
44 which the land was valued as herein authorized.

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.

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1 Such laws shall also provide for the equalization of assessments
2 of land valued in accordance with the provisions hereof and for the
3 assessment and collection of any additional taxes levied thereupon
4 and shall include such other provisions as shall be necessary to
5 carry out the provisions of this amendment.

6 (cf: Art. VIII, Sec. I, par. 1 amended effective December 5, 1963)

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8 2. When this proposed amendment to the Constitution is finally
9 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it
10 shall be submitted to the people at the next general election
11 occurring more than three months after the final agreement and
12 shall be published at least once in at least one newspaper of each
13 county designated by the President of the Senate, the Speaker of the
14 General Assembly and the Secretary of State not less than three
15 months prior to the general election.

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17 3. This proposed amendment to the Constitution shall be
18 submitted to the people at that election in the following manner and
19 form:

20 There shall be printed on each official ballot to be used at the
21 general election, the following:

22 a. In every municipality in which voting machines are not used,
23 a legend which shall immediately precede the question as follows:

24 If you favor the proposition printed below make a cross (X), plus
25 (+), or check (✓) in the square opposite the word "Yes." If you are
26 opposed thereto make a cross (X), plus (+) or check (✓) in the
27 square opposite the word "No."

28 b. In every municipality the following question:

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	YES	<p style="text-align: center;">CONSTITUTIONAL AMENDMENT TO LIMIT PROPERTY TAXES</p> <p>Shall the proposed amendment to Article VIII, Section 1, paragraph 1 of the Constitution, agreed to by the Legislature, limiting the maximum amount of real property taxes payable to 2.2% of a property's equalized value and requiring the Legislature to annually appropriate from the Property Tax Relief Fund monies to reimburse municipalities for uncollected property tax revenue, be approved?</p>
	NO	<p style="text-align: center;">INTERPRETIVE STATEMENT</p> <p>Approval of this amendment would limit the amount of property taxes billable and payable on real property in any given tax year to 2.2% of the real property's equalized value, which is its approximate market value. Any portion of the resulting property tax that exceeds 2.2 percent of the equalized value of the real property could not be billed or payable. Approval of this amendment would also require the Legislature to annually appropriate from the Property Tax Relief Fund sufficient funds to reimburse municipalities for all of the property taxes that are unable to be collected due to this cap on the amount of property taxes that can be collected from property taxpayers. This limitation on the amount of property taxes that can be billed in any given tax year is intended to reduce the average residential property tax bill by approximately 25%.</p>

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STATEMENT

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This concurrent resolution proposes an amendment to the New Jersey Constitution to limit the amount of real property taxes payable by property owners to 2.2% of the equalized value of the real property. The proposed amendment would also require the Legislature to annually appropriate from the Property Tax Relief Fund the funds as may be necessary to reimburse each municipality for the total amount of uncollected property tax revenue resulting from this 2.2 percent limit on property taxes billable and payable.

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1 This limitation on the amount of property taxes that can be billed
2 in any given tax year is intended to reduce the average residential
3 property tax bill by approximately 25%.
4 This constitutional amendment does not alter in any way the
5 current constitutional requirement that all real property be assessed
6 according to the same standard of value and does not limit the
7 amount by which assessments may increase over time, unlike
8 California's Proposition 13, which limited to 2% the amount by
9 which real property's assessed value could increase in any given
10 year.