

ASSEMBLY, No. 398

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman EDWARD H. THOMSON
District 30 (Monmouth and Ocean)

Co-Sponsored by:

Assemblymen Wirths and Space

SYNOPSIS

Includes value of certain properties exempt from taxation in valuation used to calculate State school aid in SDA districts.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



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

13 2. This act shall take effect immediately and shall first apply to
14 the first full school year following the date of enactment.

Under the “School Funding Reform Act of 2008,” P.L.2007, c.260 (C.18A:7F-43 et al.), a school district’s State aid is determined, in part, by the district’s capacity to raise revenue locally, as measured by the community’s equalized property valuation and aggregate income. In the case of property that is exempt from taxation under the “Long Term Tax Exemption Law,” P.L.1991, c.431 (C.40A:20-1 et seq.), the value of the property is omitted from the calculation. This may lead a school district that is located in a municipality with exempt property to receive a greater amount of State aid at the expense of other districts. This bill requires that the value of property exempt from taxation under that law be included when determining a community’s wealth for the purpose of determining State school aid for an SDA (former Abbott) district.