

ASSEMBLY, No. 431

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman GREGORY P. MCGUCKIN

District 10 (Ocean)

Assemblyman JOHN CATALANO

District 10 (Ocean)

SYNOPSIS

Eliminates supplemental realty transfer fee.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 2/3/2020)

1 **AN ACT** eliminating the supplemental realty transfer fee, amending
2 P.L.1968, c.49 and repealing section 2 of P.L.2003, c.113.

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.1968, c.49 (C.46:15-5) is amended to read
8 as follows:

9 1. As used in this act:

10 (a) "Deed" means a written instrument entitled to be recorded in
11 the office of a county recording officer which purports to convey or
12 transfer title to a freehold interest in any lands, tenements or other
13 realty in this State by way of grant or bargain and sale thereof from
14 the named grantor to the named grantee. A leasehold interest for 99
15 years or more or a proprietary lease of a cooperative unit and any
16 assignment of a proprietary lease of a cooperative unit, shall be
17 treated as a "freehold" for the purpose of this act. Instruments
18 providing for common driveways, for exchanges of easements or
19 rights-of-way, for revocable licenses to use, to adjust or to clear
20 defects of or clouds on title, to provide for utility service lines such
21 as drainage, sewerage, water, electric, telephone or other such
22 service lines, or to quitclaim possible outstanding interests, shall
23 not be "deeds" for the purposes of this act.

24 (b) The terms "county recording officer" and "office of the
25 county recording officer" mean the register of deeds and mortgages
26 in counties having such an officer and office, and the county clerk
27 and his office in the other counties.

28 (c) "Consideration" means in the case of any deed, the actual
29 amount of money and the monetary value of any other thing of
30 value constituting the entire compensation paid or to be paid for the
31 transfer of title to the lands, tenements or other realty, including the
32 remaining amount of any prior mortgage to which the transfer is
33 subject or which is to be assumed and agreed to be paid by the
34 grantee and any other lien or encumbrance thereon not paid,
35 satisfied or removed in connection with the transfer of title. The
36 amount of liens for real property taxes, water or sewerage charges
37 for the current or any subsequent year, or by way of added
38 assessment or other adjustment, as well as of other like liens or
39 encumbrances of a current and continuing nature ordinarily adjusted
40 between the parties according to the period of ownership shall be
41 excluded as an element in determining the consideration,
42 notwithstanding that such amount is to be paid by the grantee.

43 In the case of a leasehold interest for 99 years or more as defined
44 in subsection (a) of this section, the consideration shall be in the
45 amount of the assessed value of the property at the date of the
46 transaction for the purpose of levying local real property taxes

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 adjusted to reflect the true value in accordance with the county
2 percentage level established for the current year.

3 In the case of a proprietary lease of a cooperative unit or
4 assignment thereof as defined in subsection (a) of this section, the
5 consideration is the total price paid for the ownership interest held
6 in conjunction with a cooperative unit, including the pro rata
7 amount of any underlying mortgage or other obligation of the
8 cooperative.

9 (d) "Blind person" means a person whose vision in his better eye
10 with proper correction does not exceed 20/200 as measured by the
11 Snellen chart or a person who has a field defect in his better eye
12 with proper correction in which the peripheral field has contracted
13 to such an extent that the widest diameter of visual field subtends an
14 angular distance no greater than 20°.

15 (e) "Disabled person" means any resident of this State who is
16 permanently and totally disabled, unable to engage in gainful
17 employment, and receiving disability benefits or any other
18 compensation under any federal or State law.

19 (f) "Senior citizen" means any resident of this State of the age
20 of 62 years or over.

21 (g) "New construction" means any conveyance or transfer of
22 property upon which there is an entirely new improvement not
23 previously occupied or used for any purpose.

24 (h) "Low and moderate income housing" means any residential
25 premises, or part thereof, affordable according to federal
26 Department of Housing and Urban Development or other
27 recognized standards for home ownership and rental costs and
28 occupied or reserved for occupancy by households with a gross
29 income equal to 80% or less of the median gross household income
30 for households of the same size within the housing region in which
31 the housing is located, but shall include only those residential
32 premises subject to resale controls pursuant to contractual
33 guarantees.

34 (i) "Basic fee" means the fee established by paragraph (1) of
35 subsection a. of section 3 of P.L.1968, c.49 (C.46:15-7), which fee
36 shall consist of a State portion and a county portion as prescribed
37 under that paragraph.

38 (j) "Additional fee" means the fee established by paragraph (2)
39 of subsection a. of section 3 of P.L.1968, c.49.

40 (k) "General purpose fee" means the fee established by
41 paragraph (3) of subsection a. of section 3 of P.L.1968, c.49.

42 **[(l) "Supplemental fee" means the fee established by subsection**
43 **a. of section 2 of P.L.2003, c.113 (C.46:15-7.1).]**
44 **(cf: P.L.2004, c.66, s.1)**
45

46 2. Section 2 of P.L.1968, c.49 (C.46:15-6) is amended to read
47 as follows:

