ASSEMBLY, No. 913

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:
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SYNOPSIS

Extends payment of homestead property tax reimbursement to non-eligible surviving spouse for portion of tax year during which deceased spouse lived.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

AN ACT concerning the homestead property tax reimbursement, amending and supplementing P.L.1997, c.348.

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

1. Section 3 of P.L.1997, c.348 (C.54:4-8.70) is amended to read as follows:

3. An application for a homestead property tax reimbursement hereunder shall be filed with the director annually on or before June 1 of the year following the year for which the claim is being made and shall reflect the prerequisites for a homestead property tax reimbursement on December 31 of the tax year for which the claim is being made, except as provided in section 2 of P.L. , c. (C.) (pending before the Legislature as this bill); provided, however, that the director may, by rule, designate a later date as the date by which the application shall be filed or waive the requirement for filing an annual application for any year or years subject to any limitations and conditions the director may deem appropriate. The application shall be on a form prescribed by the director and provided for the use of applicants hereunder. Each applicant making a claim for a homestead property tax reimbursement under this act shall provide, if required by the director, to the director a copy of his or her current year property tax bill or current year site fee bill on the homestead constituting that person's principal residence and a copy of his or her property tax bill for the base year or site fee bill for the base year on the same homestead, or other equivalent proof as permitted by the director.

It shall be the duty of every eligible claimant to inform the director of any change in his or her status or homestead which may affect his or her right to continuance of the homestead property tax reimbursement.

If an eligible claimant receives an additional homestead property tax reimbursement to which the claimant was not entitled or greater than the reimbursement to which the claimant was entitled, the director may, in addition to all other available legal remedies, offset such amount against a gross income tax refund or amount due pursuant to P.L.1990, c.61.

(cf: P.L.2003, c.30, s.1)

2. (New section) Whenever the surviving spouse of a deceased resident of this State who during his or her life received a homestead property tax reimbursement pursuant to P.L.1997, c.348 (C.54:4-8.67 et seq.) does not satisfy the criteria for the

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.

definition of eligible claimant, the surviving spouse shall be entitled to file a claim for a pro rata reimbursement for the number of days of the tax year that the deceased spouse lived, including the date of death, in which case the claim for reimbursement shall reflect the prerequisites for a homestead property tax reimbursement on the date of the deceased spouse's death.

3. This act shall take effect immediately.

STATEMENT

This bill would entitle the surviving spouse of someone who was eligible to receive the homestead property tax reimbursement to file a claim for a pro rata reimbursement for the number of days of the tax year that the deceased spouse lived, even though the surviving spouse is not him- or herself eligible for the reimbursement. Under current law, an applicant must satisfy all prerequisites for a homestead property tax reimbursement as of December 31 of the tax year for which the claim is being made.

While current law allows a surviving spouse to file an application on behalf of a spouse who dies after December 31 of the tax year, no provision allows a spouse to claim a partial reimbursement based upon the number of days an eligible claimant lives during the tax year. This requirement works an unusual hardship upon the spouse of someone who was eligible for the reimbursement but is not him- or herself eligible. Not only is the surviving spouse deprived of eligibility for future years (until the surviving spouse can satisfy the eligibility requirements), but the spouse is also stripped of the right to claim reimbursement for the portion of the year that the eligible deceased spouse lived.

The year following the death of a spouse can be one of the most trying times for an individual, both emotionally and financially. It therefore seems equitable to allow a surviving spouse the pro rata eligibility provided for in this bill to act as a transition to the loss of the reimbursement.