

ASSEMBLY, No. 1485

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman PAUL D. MORIARTY
District 4 (Camden and Gloucester)
Assemblywoman SHAVONDA E. SUMTER
District 35 (Bergen and Passaic)
Assemblyman ERIC HOUGHTALING
District 11 (Monmouth)
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District 31 (Hudson)
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District 33 (Hudson)

Co-Sponsored by:

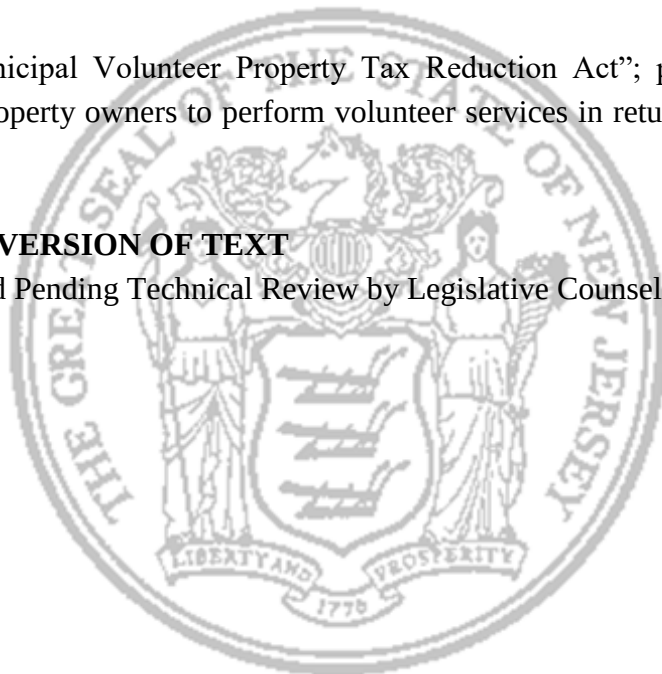
Assemblywomen Lampitt, Downey, Assemblyman Conaway and
Assemblywoman Mosquera

SYNOPSIS

The “Municipal Volunteer Property Tax Reduction Act”; permits certain municipal property owners to perform volunteer services in return for property tax vouchers.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** concerning property tax relief for certain municipal
2 residents and supplementing chapter 4 of Title 54 of the Revised
3 Statutes.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. This act shall be known and may be cited as the "Municipal
9 Volunteer Property Tax Reduction Act."

10
11 2. The Legislature finds and declares that:
12 Property taxes remain one of the highest single expenses for
13 State residents and are especially burdensome for seniors on fixed
14 incomes.

15 It is in the public interest to utilize the talents and skills of senior
16 citizen State residents by permitting them to volunteer their services
17 to their municipal government.

18 It is likely that the State's senior population would be motivated
19 to volunteer their time with their municipality if, in return, their
20 property tax liability could be reduced.

21 Therefore, the State should permit municipalities to establish
22 programs in which a senior citizen can volunteer time and services
23 to their municipality of residence in exchange for a credit against
24 municipal purposes property taxes due and owing on their primary
25 residence.

26
27 3. a. A municipality, by resolution, may create a "Municipal
28 Volunteer Property Tax Reduction Program," permitting municipal
29 residents, age 60 years or older, who have owned and lived in a
30 home in the municipality as their primary residence for not less than
31 15 years in the aggregate, to volunteer their services to the
32 municipality in ways determined by the municipality, in exchange
33 for property tax credits, not to exceed \$1,000 per tax year. Under
34 this program, a municipality shall determine the type of volunteer
35 services that these residents may perform, and the amount of
36 property tax credits, up to \$1,000 per tax year, that a volunteer shall
37 be awarded for his or her service. The amount of property tax
38 credit awarded per hour of volunteer work shall be the State
39 minimum hourly wage rate as set by the Department of Labor and
40 Workforce Development pursuant to the requirements of Article I,
41 paragraph 23 of the New Jersey Constitution. Property tax credits
42 earned under this program shall not carry over from year to year;
43 credits earned in a tax year shall be applied to the municipal
44 purposes property taxes due and owing only for that tax year

45 b. A volunteer who participates in this program and who earns
46 property tax credits from the municipality shall be awarded a
47 voucher by the municipality which shall be used by the volunteer
48 solely and exclusively to offset the property taxes for municipal

1 purposes due and owing on the volunteer's primary residence in the
2 municipality. The voucher shall otherwise have no value and shall
3 not be transferrable. A voucher shall not be applied toward
4 property taxes which become payable in a year succeeding the year
5 in which the voucher is earned.

6 c. For the purposes of this section, "property taxes for
7 municipal purposes" means taxes duly assessed against the property
8 for municipal purposes only, including any amounts due
9 representing interest or penalties, and any amounts for which
10 redemption payments may be made pursuant to Title 54 of the
11 Revised Statutes , and the value of property tax credits awarded
12 under the program shall not be considered as part of the general
13 property tax due and paid for the purposes of the homestead
14 property tax reimbursement program established pursuant to
15 P.L.1997, c.348 (C.54:4-8.67 et seq.).

16
17 4. A municipality that creates a volunteer program pursuant to
18 section 3 of P.L. , c. (C.) (pending before the
19 Legislature as this bill) shall not utilize volunteers for any position
20 for which a salary is budgeted in the municipal budget. Volunteers
21 shall only be utilized by a municipality for non-professional, non-
22 salaried positions or uses.

23
24 5. A municipality that creates a "Municipal Volunteer Property
25 Tax Reduction Program" pursuant to section 3 of P.L. , c. (C.)
26 (pending before the Legislature as this bill) shall advise the Director
27 of the Division of Local Government Services in the Department of
28 Community Affairs of the creation of the program, on a form
29 promulgated for that purpose by the director not later than the third
30 business day next following the adoption of the resolution creating
31 the program. If the municipality is under State supervision pursuant
32 to the provisions of Article Four of the "Local Government
33 Supervision Act (1947)," P.L.1947, c.151 (C.52:27BB-54 et seq.),
34 or the provisions of the "Municipal Rehabilitation and Economic
35 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et seq.), or is
36 otherwise subject to a memorandum of understanding or similar
37 agreement with the division as a condition of receiving
38 supplemental State aid, the resolution shall not be effective unless it
39 is approved by the director.

40
41 6. The Director of the Division of Local Government Services
42 in the Department of Community Affairs, pursuant to the provisions
43 of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
44 1 et seq.), shall promulgate any rules or regulations that may be
45 necessary to implement the provisions of P.L. ,
46 c. (C.) (pending before the Legislature as this bill).
47 Notwithstanding any provision of P.L.1968, c.410 (C.52:14B-1 et
48 seq.) to the contrary, any such regulations shall be effective

1 immediately upon filing with the Office of Administrative Law and
2 shall be effective for a period not to exceed 365 days, and may
3 thereafter be amended, adopted, or readopted, by the director in
4 accordance with the requirements of P.L.1968, c.410.

5
6 7. This act shall take effect on the first day of the fourth month
7 next following enactment, except that section 6 shall take effect
8 immediately.

9
10
11 STATEMENT
12

13 This bill would permit any municipality, by resolution, to create
14 a "Municipal Volunteer Property Tax Reduction Program,"
15 permitting a municipal resident, age 60 years or older, who has
16 owned and lived in a home in the municipality as the resident's
17 primary residence for not less than 15 years in the aggregate, to
18 volunteer the resident's services to the municipality in ways
19 determined by the municipality, in exchange for property tax credits
20 not to exceed \$1,000 per tax year. Under this program, a
21 municipality will determine the type of volunteer services that a
22 resident may perform, and the amount of property tax credits, up to
23 \$1,000 per resident per tax year, that a volunteer shall be awarded
24 for service. The bill sets the amount of the property tax credit per
25 hour worked to the amount of the State minimum wage. The bill
26 directs that property tax credits earned under the program shall not
27 carry over from year to year, and credits earned in a tax year shall
28 be applied to the municipal purposes property taxes due and owing
29 only for that tax year. The property tax credits earned under the bill
30 would not be considered as part of the general property tax due and
31 paid for the purposes of the homestead property tax reimbursement
32 program established pursuant to P.L.1997, c.348 (C.54:4-8.67 et
33 al.).

34 A municipality that creates a volunteer program cannot utilize
35 volunteers for any position for which a salary is budgeted in the
36 municipal budget. Volunteers can only be utilized by a
37 municipality for non-professional, non-salaried positions or uses.

38 The bill calls for a volunteer who participates in such a
39 municipal program and who earns property tax credits from the
40 municipality to be awarded a voucher by the municipality which
41 would be used by the volunteer solely and exclusively to offset the
42 property taxes for municipal purposes due and owing on the
43 volunteer's residence in the municipality during the tax year in
44 which the person is a volunteer. The voucher shall otherwise have
45 no value and shall not be transferrable. The bill does not allow a
46 voucher to be applied toward property taxes which become payable
47 in a year succeeding the year in which the voucher is earned.

1 The bill requires a municipality that creates a Municipal
2 Volunteer Property Tax Reduction Program to advise the Director
3 of the Division of Local Government Services in the Department of
4 Community Affairs of the creation of the program not later than the
5 third business day next following the adoption of the resolution
6 creating the program.

7 The bill requires that a resolution approved by a municipality
8 operating under the provisions of Article Four of the “Local
9 Government Supervision Act (1947),” P.L.1947, c.151 (C.52:27BB-
10 54 et seq.) or the “Municipal Rehabilitation and Economic
11 Recovery Act,” P.L.2002, c.43 (C.52:27BBB-1 et seq.), or that is
12 otherwise subject to a memorandum of understanding or similar
13 agreement with the division as a condition of receiving
14 supplemental State aid, will not be effective unless it is approved by
15 the director.

16 Any rules or regulations promulgated under the bill would
17 become effective immediately upon filing with the Office of
18 Administrative Law for a period not to exceed 365 days and
19 thereafter may be amended, adopted, or readopted by the director
20 pursuant to P.L.1968, c.410 (C.52:14B-1 et seq.).