

ASSEMBLY, No. 2377

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 3, 2020

Sponsored by:

Assemblyman STERLEY S. STANLEY

District 18 (Middlesex)

Assemblywoman JOANN DOWNEY

District 11 (Monmouth)

SYNOPSIS

Requires distribution of homestead benefits on or before October 31 of the State fiscal year during which an appropriation is made.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 1/27/2021)

1 AN ACT concerning the timing of distribution of homestead
2 benefits, amending P.L.1990, c.61.

3

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

6

7 1. Section 7 of P.L.1990, c.61 (C.54:4-8.63) is amended to read
8 as follows:

9 7. a. The State Treasurer **【**annually on or before October 31**】**,
10 upon certification of the director and upon warrant of the Director
11 of the Division of Budget and Accounting, shall pay and distribute
12 the amount of a homestead rebate payable under this act that is
13 **【**claimed for the prior tax year**】** due to each claimant whose rebate
14 is approved by the director on or before October 31 of the State
15 fiscal year for which an appropriation is made for this purpose.

16 b. A homestead credit allowed by the Director of the Division
17 of Taxation to a claimant who claimed a homestead credit pursuant
18 to section 3 of P.L.1990, c.61 (C.54:4-8.59), and whose homestead
19 is not a unit in a cooperative, mutual housing corporation or
20 continuing care retirement community, shall be paid by the State
21 Treasurer, through electronic funds transfer made by the director to
22 the local property tax account maintained by the local tax collector
23 for the homestead of the claimant as the claimant shall identify, in
24 equal installments after the application for the credit has been
25 approved, at the dates and in the manner as the director shall
26 determine to best coincide with the next local property tax quarterly
27 due dates of August 1 and November 1. Notice of payments of
28 credit installments shall be provided to the claimant and the
29 appropriate local tax collector.

30 c. Notwithstanding subsection b. of this section, the director
31 shall provide a homestead benefit under this act as a credit only if
32 the director can ensure that the benefit will be applied to the
33 appropriate taxpayer. Otherwise, the director may remit a
34 homestead benefit to an eligible taxpayer as a rebate.

35 d. Notwithstanding subsection b. of this section, a resident
36 homeowner of this State who is 65 years of age or older at the close
37 of the tax year or who is allowed to claim a personal deduction as a
38 blind or disabled taxpayer pursuant to subsection (b) of
39 N.J.S.54A:3-1, shall receive the credit in the form of a rebate
40 payment in calendar year 2007, but will receive credits in future
41 years starting in calendar year 2008, unless the claimant elects in
42 the claimant's homestead credit application to receive a rebate.

43 e. Notwithstanding subsection b. of this section, if the director
44 determines that homestead benefits for a particular tax year cannot

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 be administered and delivered as credits efficiently, the director
2 may remit homestead benefits for that year as rebates.
3 (cf: P.L.2007, c.62, s.25)
4

5 2. This act shall take effect immediately.
6
7

8 STATEMENT
9

10 This bill requires the distribution of homestead benefits on or
11 before October 31 of the State fiscal year for which an
12 appropriation of homestead benefits is made.

13 Currently, the homestead benefit law requires the distribution of
14 benefits for the prior tax year by October 31. The benefits for
15 property taxes paid in property tax year 2012 should, by statute,
16 have been paid in October of 2013.

17 Due to an “unanticipated revenue shortfall” in State fiscal year
18 2012, the homestead benefits for property tax year 2011 were first
19 delayed from October 2012 to May 2013, and due to an
20 “unanticipated revenue shortfall” in State fiscal year 2013 were
21 delayed a second time until August 2013.

22 This Legislature, hopeful of setting things again upon a
23 reasonable annual schedule, provided for the distribution of the next
24 round of homestead benefits, for property tax year 2012, in August
25 of 2014. However, that appropriations enactment was line-item
26 vetoed by the Governor to set the date of the next anticipated
27 distribution to May of 2015, or 21 months after the prior
28 distribution.

29 This bill returns the distribution of the homestead benefit to an
30 annual October distribution, or 14 months after the prior
31 distribution.