

ASSEMBLY, No. 2526

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 3, 2020

Sponsored by:

Assemblyman LOUIS D. GREENWALD

District 6 (Burlington and Camden)

Assemblywoman JOANN DOWNEY

District 11 (Monmouth)

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

SYNOPSIS

Realigns transfer inheritance tax payment due date to coincide with payment due date for federal estate tax.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 2/24/2020)

1 AN ACT adjusting the transfer inheritance tax's payment due date,
2 amending R.S.54:35-3 and R.S.54:35-4 and supplementing Title
3 54 of the Revised Statutes.

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

7
8 1. R.S.54:35-3 is amended to read as follows:

9 54:35-3. If such tax is not paid within **【8】** nine months after the
10 date on which it became due and payable pursuant to R.S.54:35-1,
11 the tax shall bear interest at the rate of 10% per annum from the
12 expiration of **【8】** nine months after the date on which it became due
13 and payable to the date when the tax is paid, unless, payment was
14 tendered by the taxpayer within the **【8 months】** nine-month period
15 and is evidenced by the postmark on the letter conveying the
16 payment, or by other acceptable proof, but was not credited through
17 no fault of the taxpayer, in which case no interest shall be charged,
18 or unless, by reason of claims made upon the estate, necessary
19 litigation or other unavoidable cause of delay, the decedent's estate,
20 or a part thereof, cannot be settled before the expiration of **【8】** nine
21 months from the date on which said tax became due and payable, in
22 which case only 6% per annum shall be charged from the expiration
23 of such **【8】** nine months until the cause of delay is removed;
24 provided, however, that if the decedent shall have heretofore died or
25 shall hereafter die while a member of the Armed Forces of the
26 United States, no such tax shall commence to bear such interest
27 until the expiration of **【8】** nine months after receipt of official
28 notification of the death of the decedent by the wife, husband,
29 father, mother, or next of kin of such decedent.

30 (cf: P.L.1978, c.172, s.2)

31

32 2. R.S.54:35-4 is amended to read as follows:

33 54:35-4. When executors, administrators, grantees, donees,
34 vendees or trustees fail to pay the tax imposed by chapters 33 to 36
35 of this Title (**【section】** R.S.54:33-1 et seq.), within **【8】** nine months
36 from the date on which said tax became due and payable pursuant to
37 R.S.54:35-1, they shall be required to give a bond to the State of
38 New Jersey in double the amount of the tax, conditioned to pay the
39 tax and interest which may fall due, the bond to be approved as to
40 form and sufficiency by the Director of the Division of Taxation.

41 (cf: P.L.1982, c.15, s.3)

42

43 3. (New section) Notwithstanding the provision of any law or
44 regulation to the contrary, sections 1 and 2 of P.L. , c. (pending

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 before the Legislature as this bill) shall not be construed to restrict
2 the enforceability of Chapter 26 of Title 18 of the New Jersey
3 Administrative Code, except that each reference in Chapter 26 of
4 Title 18 of the New Jersey Administrative Code to the preceding
5 eight-month transfer inheritance tax payment period shall be read as
6 a reference to the nine-month transfer inheritance tax payment
7 period established by sections 1 and 2 of P.L. , c. (pending
8 before the Legislature as this bill). This section shall expire upon
9 the enactment of a subsequent transfer inheritance tax payment
10 period.

11

12 4. This act shall take effect immediately and apply to transfer
13 inheritance tax payments that become due on or after the date of
14 enactment.

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STATEMENT

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19 This bill realigns the transfer inheritance tax payment due date to
20 coincide with the payment due date for the federal estate tax. The
21 purpose of this bill is to simplify New Jersey's inheritance tax filing
22 procedures.

23 Generally, inheritance tax payments are due within the following
24 periods:

25

New Jersey Transfer Inheritance Tax	-	8 Months after Death
Federal Estate Tax	-	9 Months after Death

26

27 This bill adjusts the final payment due date for the New Jersey
28 transfer inheritance tax to within nine months following death to
29 coincide with the due date for the federal estate tax.

30 The bill takes effect immediately and applies to New Jersey
31 transfer inheritance tax payments that become due on or after the
32 date of enactment.