ASSEMBLY CONCURRENT RESOLUTION No. 101

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 3, 2020

Sponsored by:
Assemblyman DANIEL R. BENSON
District 14 (Mercer and Middlesex)

SYNOPSIS

Proposes constitutional amendment raising income limit to be eligible for homestead property tax reimbursement program.

CURRENT VERSION OF TEXT

As introduced.

A CONCURRENT RESOLUTION proposing to amend Article VIII, Section I, paragraph 5 of the New Jersey Constitution.

BE IT RESOLVED *by the General Assembly of the State of New Jersey (the Senate concurring):*

1. The following proposed amendment to the Constitution of the State of New Jersey is hereby agreed to:

PROPOSED AMENDMENT

Amend Article VIII, Section 1, paragraph 5 to read as follows:

5. a. The Legislature may adopt a homestead statute which entitles homeowners, residential tenants and net lease residential tenants to a rebate or a credit of a sum of money related to property taxes paid by or allocable to them at such rates and subject to such limits as may be provided by law. Such rebates or credits may include a differential rebate or credit to citizens and residents who are of the age of 65 or more years, or less than 65 years of age who are permanently and totally disabled according to the provisions of the Federal Social Security Act, or are 55 years of age or more and the surviving spouse of a deceased citizen or resident of this State who during his lifetime received, or who, upon the adoption of this amendment and the enactment of implementing legislation, would have been entitled to receive a rebate or credit related to property taxes.

b. A homestead statute adopted pursuant to subsection a. of this paragraph, which provides homeowners who are 65 years of age or more, or are permanently and totally disabled, with a rebate or credit reimbursing them for property taxes paid in the prior tax year over and above the amount of property taxes paid in the tax year in which they first became eligible for the reimbursement under the statute, shall establish an income eligibility limit entitling a resident with an annual income of $100,000 or less to the reimbursement. The income eligibility limit shall take effect in the first tax year next following the date of the approval of this amendment. For each subsequent tax year, the income eligibility limit shall be adjusted annually in direct proportion to any percentage increase in the consumer price index for all urban wage earners and clerical workers (CPI-W) as calculated by the federal government.

(cf: Art. VIII, Sec. I, par. 5 amended effective December 2, 1976)

2. When this proposed amendment to the Constitution is finally agreed to pursuant to Article IX, paragraph 1 of the Constitution, it shall be submitted to the people at the next general election

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.

occurring more than three months after the final agreement and shall be published at least once in at least one newspaper of each county designated by the President of the Senate, the Speaker of the General Assembly and the Secretary of State, not less than three months prior to the general election.

3. This proposed amendment to the Constitution shall be submitted to the people at that election in the following manner and form:

There shall be printed on each official ballot to be used at the general election, the following:

a. In every municipality in which voting machines are not used, a legend which shall immediately precede the question as follows:

If you favor the proposition printed below make a cross (X), plus (+), or check (✔) in the square opposite the word "Yes." If you are opposed thereto make a cross (X), plus (+) or check (✔) in the square opposite the word "No."

b. In every municipality the following question:

	YES	CONSTITUTIONAL AMENDMENT TO INCREASE ANNUAL INCOME LIMIT FOR ELIGIBILITY IN THE HOMESTEAD PROPERTY TAX REIMBURSEMENT PROGRAM Do you approve amending the Constitution to increase the annual income limit for eligibility in the homestead property tax reimbursement program? The current income limit is $80,000 with adjustments for inflation. The new income limit would be $100,000. The income limit would first take effect in 2020. The income limit would later increase with inflation.
	NO	INTERPRETIVE STATEMENT This amendment would increase the annual income limit for eligibility in the homestead property tax reimbursement program. This program provides a property tax rebate or credit to seniors and disabled persons who own a home in the State and meet an income limit. The rebate or credit equals the property taxes owed in the prior year over and above the amount owed in the first year of eligibility. Currently, the statutory income limit for this program is $80,000 with adjustments for inflation. However, the State budget has kept the income limit at $70,000. The new income limit would be $100,000. The income limit could not be lowered by the State budget. The income limit would first take effect in 2020. The income limit would increase with inflation in later years.

STATEMENT

This concurrent resolution proposes an amendment to the New Jersey Constitution to increase the annual income limit for the homestead property tax reimbursement, commonly known as the "Senior Freeze" program, to $100,000. This program provides a property tax rebate or credit to seniors and disabled persons who

own a home in the State and meet an income limit. The rebate or credit provides a reimbursement of the property taxes paid in the prior tax year over and above the amount of property taxes paid in the tax year in which they first became eligible for the reimbursement under the program. This amendment would make the reimbursement available to more New Jersey residents.

Currently, the statutory income limit for this program is $80,000 with adjustments for inflation. However, language in recent State budgets has kept the income limit at $70,000. This amendment would raise the income limit to $100,000 in the first year, and would index the new limit to rise along with any increase in the Consumer Price Index. Since the income limit would be a constitutional requirement, it could not be lowered by future State budgets. The income limit would first take effect in 2020.