

**ASSEMBLY CONCURRENT
RESOLUTION No. 201**

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED DECEMBER 7, 2020

Sponsored by:

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

Assemblyman HERB CONAWAY, JR.

District 7 (Burlington)

SYNOPSIS

Proposes constitutional amendment to authorize owner of residential property rented by senior citizen to obtain property tax credit if compliant with rent increase restriction.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/7/2020)

1 **A CONCURRENT RESOLUTION** proposing to amend Article VIII,
2 Section I of the New Jersey Constitution by adding a new
3 paragraph.

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

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

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11 PROPOSED AMENDMENT

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13 Amend Article VIII, Section I by adding a new paragraph 8 to
14 read as follows:

15 8. The Legislature may enact a law to provide a property owner
16 with a credit against property taxes on real property that serves as
17 the primary residence of a senior citizen who rents the residence
18 from the property owner. A law so enacted shall require that, to
19 qualify for the credit, the senior citizen occupying the property as
20 their primary residence shall be of limited income in accordance
21 with requirements established by the Legislature, and shall be
22 provided by the property owner with protections against a rent
23 increase that exceeds a measure of inflation established by the
24 Legislature, or 2 percent of the total amount of rent charged on the
25 senior citizen's home in the previous year, whichever is greater.
26 The amount of this credit shall be no greater than the difference
27 between the amount of rent charged by the landlord for a full year
28 while in compliance with the rent increase protections enacted by
29 the Legislature in accordance with this paragraph, and the highest
30 possible amount of rent that the landlord is authorized to charge
31 while remaining in compliance with the rent increase protections
32 enacted by the Legislature in accordance with this paragraph.

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34 2. When this proposed amendment to the Constitution is finally
35 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it
36 shall be submitted to the people at the next general election
37 occurring more than three months after the final agreement and
38 shall be published at least once in at least one newspaper of each
39 county designated by the President of the Senate, the Speaker of the
40 General Assembly and the Secretary of State, not less than three
41 months prior to the general election.

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

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.

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- 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	<p>CONSTITUTIONAL AMENDMENT TO PERMIT A PROPERTY TAX CREDIT FOR PROPERTY OWNERS WHO LIMIT RENT ON HOMES OF CERTAIN SENIOR CITIZENS</p> <p>Do you approve amending the Constitution to permit a property tax credit for property owners who rent to certain income-limited senior citizens? The owner would have to limit rent increases on the home to qualify for the credit. A rent increase could not exceed inflation or two percent of rent in the last year, whichever is more.</p>
	NO	<p>INTERPRETIVE STATEMENT</p> <p>This amendment would allow the owner of a home rented to an income-limited senior citizen to obtain a property tax credit. The income limitation necessary for eligibility would be determined by the Legislature. For a rented home to be eligible for the credit it would have to be the primary residence of the senior citizen. The owner would only obtain the credit if rent increases are limited on the home. The rent increase would have to be less than inflation or two percent of rent in the last year, whichever is more.</p> <p>The measure of inflation to be used for this determination would be determined by the Legislature. The amount of the tax credit would be no more than the difference between the actual rent charged and the greatest amount that the owner could charge in rent while in compliance with the rent increase protections enacted by the Legislature.</p>

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STATEMENT

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4 This resolution proposes a constitutional amendment to authorize
5 the owner of a residence rented to an income-limited senior citizen
6 to obtain a property tax credit. Specifically, the resolution provides
7 that the Legislature may enact a law to provide the owner of the
8 senior citizen's residence with a property tax credit. To qualify for
9 the credit, the senior citizen occupying the residence would have to
10 be of limited income, in accordance with statutory requirements.
11 The landlord would also have to provide the senior citizen with
12 protections against a rent increase that exceeds a statutorily-
13 determined measure of inflation, or two percent of the rent charged
14 for the senior citizen's residence in the previous year, whichever is
15 greater.

16 The amount of the property tax credit would be no greater than
17 the difference between the amount of rent charged by the landlord,
18 while in compliance with the rent increase protections enacted by
19 law, and the highest possible amount of rent that the landlord could
20 charge while remaining in compliance with the protections enacted
21 by law. For example, if inflation is three percent, and a property
22 owner charged \$1,000 in monthly rent to a property occupied by an
23 income-limited senior citizen one year and leaves the rent
24 unchanged for the following year, this resolution would allow that
25 property owner to obtain a property tax credit of as much as \$360
26 for the following year. This is because the highest possible amount
27 of monthly rent that this owner could have charged while remaining
28 in compliance with the protections would have been \$1,030. By
29 leaving rent unchanged, the owner kept rent \$30 under the rent
30 increase protections each month, or \$360 under those protections
31 for the full year.