

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 310

STATE OF NEW JERSEY

DATED: SEPTEMBER 21, 2020

The Senate Community and Urban Affairs Committee reports favorably Senate Bill No. 310.

This bill would authorize municipalities to adopt or amend their ordinances allowing for short-term tax exemptions and abatements in areas in need of rehabilitation to allow a subsequent purchaser of a dwelling located within an area in need of rehabilitation to submit an application for a short-term tax exemption or abatement for improvements that were made to the dwelling by the prior owner. The bill would also require the owner of a dwelling located in an area in which short-term tax exemptions and abatements are allowed, which owner has completed improvements to the dwelling, but has not submitted an application to the assessor for a tax exemption or abatement, to provide notice to that effect to the subsequent purchaser of the dwelling at the time of entering into a contract of sale for the dwelling.

Current law requires applications for exemptions or abatements to be submitted to the assessor within 30 days of completion of improvements. This bill will allow municipalities that adopt ordinances providing for short-term tax exemptions and abatements for improvements to dwellings to provide that, in the event a claimant has not filed an application with the assessor within 30 days following the completion of improvements to a dwelling, a purchaser of the dwelling may file an application with the assessor within the later of one year of the date of completion of the improvements, or within one year of the date of the purchase of the dwelling. This will provide the subsequent purchaser of a dwelling, in municipalities allowing it, a window of opportunity to submit an application for an exemption or abatement which, if granted, will provide the new owner a period of time to take appropriate action based upon this financial obligation.

This bill was pre-filed for introduction in the 2020-2021 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.