

SENATE, No. 709

STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator DAWN MARIE ADDIEGO

District 8 (Atlantic, Burlington and Camden)

Co-Sponsored by:

Senator Brown

SYNOPSIS

Exempts certain surviving spouses and surviving civil union partners of certain disabled veterans from components of the realty transfer fee.

CURRENT VERSION OF TEXT

As reported by the Senate Military and Veterans' Affairs Committee with technical review.



(Sponsorship Updated As Of: 8/20/2020)

1 **AN ACT** concerning a realty transfer fee exemption for certain
 2 surviving spouses and surviving civil union partners of certain
 3 disabled veterans, amending P.L.1975, c.176 and P.L.2003,
 4 c.113.

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

8
 9 1. Section 4 of P.L.1975, c.176 (C.46:15-10.1) is amended to
 10 read as follows:

11 4. a. The following transfers of title to real property shall be
 12 exempt from payment of the State portion of the basic fee:

13 (1) The sale of any one- or two-family residential premises
 14 which are owned and occupied by a senior citizen, blind person or
 15 disabled person who is the seller in such transaction; provided,
 16 however, that except in the instance of a husband and wife no
 17 exemption shall be allowed if the property being sold is jointly
 18 owned and one or more of the owners is not a senior citizen, blind
 19 person or disabled person.

20 (2) The sale of low and moderate income housing.

21 (3) The sale of a one- or two-family residential premises owned
 22 and occupied by the surviving spouse or surviving civil union
 23 partner of a disabled veteran who, at the time of the disabled
 24 veteran's death, qualified for the property tax exemption provided
 25 pursuant to section 1 of P.L.1948, c.259 (C.54:4-3.30) for the
 26 residential premises, during the surviving spouse's or surviving civil
 27 union partner's widowhood or widowerhood.

28 b. Transfers of title to real property upon which there is new
 29 construction shall be exempt from payment, with respect to all
 30 consideration therefor up to \$150,000.00, of 80% of the State
 31 portion of the basic fee.

32 c. (1) The director shall promulgate rules, regulations and
 33 forms of certification otherwise necessary to carry out the
 34 provisions of this section.

35 (2) No transfer shall be eligible for more than one exemption
 36 under this section.

37 d. The balance of the State portion of the basic fee and the
 38 additional fee collected on transfers subject to exemption under
 39 subsection b. of this section shall be remitted to the State Treasurer
 40 and shall be credited to the Neighborhood Preservation Nonlapsing
 41 Revolving Fund established pursuant to P.L.1985, c.222 (C.52:27D-
 42 301 et al.), to be spent in the manner established under section 20
 43 thereof (C.52:27D-320).

44 e. Subsections a. through d. of this section shall be without
 45 effect on and after the tenth day following a certification by the

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 Director of the Division of Budget and Accounting in the
2 Department of the Treasury pursuant to subsection b. of section 2 of
3 P.L.1992, c.148 (C.46:15-10.2) or subsubparagraph (ii) of
4 subparagraph (b) of paragraph (2) of subsection b. of section 1 of
5 P.L.1992, c.148 (C.13:19-16.1) as amended.
6 (cf: P.L.2008, c.31, s.3)

7
8 2. Section 2 of P.L.2003, c.113 (C.46:15-7.1) is amended to
9 read as follows:

10 2. a. For each conveyance or transfer of property, the grantor
11 shall pay a supplemental fee of:

12 (1) (a) \$0.25 for each \$500.00 of consideration or fractional part
13 thereof not in excess of \$150,000.00 recited in the deed;

14 (b) \$0.85 for each \$500.00 of consideration or fractional part
15 thereof in excess of \$150,000.00 but not in excess of \$200,000.00
16 recited in the deed; and

17 (c) \$1.40 for each \$500.00 of consideration or fractional part
18 thereof in excess of \$200,000.00 recited in the deed, plus

19 (2) for a transfer described in subsection **[(b)]** b. of section 4 of
20 P.L.1975, c.176 (C.46:15-10.1), an additional \$1.00 for each
21 \$500.00 of consideration or fractional part thereof not in excess of
22 \$150,000.00 recited in the deed which fee shall be collected by the
23 county recording officer at the time the deed is offered for
24 recording, except as provided by subsection b. of this section.

25 b. The supplemental fee imposed by subsection a. of this
26 section shall not be imposed on a conveyance or transfer that is
27 made by a deed described in section 6 of P.L.1968, c.49 (C.46:15-
28 10) or on a transfer described in paragraph (1) **[or]**, paragraph (2),
29 or paragraph (3) of subsection **[(a)]** a. of section 4 of P.L.1975,
30 c.176 (C.46:15-10.1).

31 c. The proceeds of the supplemental fees collected by the
32 county recording officer pursuant to subsection a. of this section
33 shall be accounted for and remitted to the county treasurer. An
34 amount equal to \$0.25 of the supplemental fee for each \$500.00 of
35 consideration or fractional part thereof recited in the deed so
36 collected pursuant to this section shall be retained by the county
37 treasurer for the purposes set forth in subsection d. of this section,
38 and the balance shall be remitted to the State Treasurer for deposit
39 to the Extraordinary Aid Account, which shall be established as an
40 account in the General Fund. Payments shall be made to the State
41 Treasurer on the tenth day of each month following the month of
42 collection.

43 d. From the proceeds of the supplemental fees collected by the
44 county recording officer pursuant to subsection a. of this section
45 and retained by the county treasurer pursuant to subsection c. of this
46 section, a county that received funding in State fiscal year 2003 for
47 the support of public health services pursuant to the provisions of
48 the Public Health Priority Funding Act of 1977, P.L.1966, c.36

1 (C.26:2F-1 et seq.) shall, at a minimum, fund its priority health
2 services under that act in subsequent years at the same level as the
3 level at which those services were funded in State fiscal year 2003
4 pursuant to the annual appropriations act for that fiscal year as the
5 Commissioner of the Department of Health and Senior Services
6 shall determine. In any county, amounts of supplemental fees
7 retained that are in excess of the amounts required to be used for the
8 funding of the county's priority health services under this subsection
9 shall be used by the county for general county purposes.

10 e. The Legislature shall annually appropriate the entire balance
11 of the Extraordinary Aid Account for the purposes of providing
12 extraordinary special education aid pursuant to section 13 of
13 P.L.2007, c.260 (C.18A:7F-55) and "Municipal Property Tax Relief
14 Act" extraordinary aid pursuant to section 4 of P.L.1991, c.63
15 (C.52:27D-118.35).

16 f. Every deed subject to the supplemental fee required by this
17 section, which is in fact recorded, shall be conclusively deemed to
18 have been entitled to recording, notwithstanding that the amount of
19 the consideration shall have been incorrectly stated, or that the
20 correct amount of the supplemental fee, if any, shall not have been
21 paid, and no such defect shall in any way affect or impair the
22 validity of the title conveyed or render the same unmarketable; but
23 the person or persons required to pay that supplemental fee at the
24 time of recording shall be and remain liable to the county recording
25 officer for the payment of the proper amount thereof.
26 (cf: P.L.2007, c.260, s.80)

27
28 3. This act shall take effect immediately and apply to sales
29 made on or after the first day of the third month following the date
30 of enactment.