

SENATE, No. 2434

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 7, 2020

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

Senator BRIAN P. STACK

District 33 (Hudson)

SYNOPSIS

Permits municipalities to adopt, by resolution, grace period concluding no later than September 1, 2020 for third quarter property tax payments due and payable on August 1, 2020.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/28/2020)

1 **AN ACT** concerning property taxes due and payable for the third
2 quarter of the 2020 property tax year.

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

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7 1. In response to the anticipated and expected negative
8 economic impact of the COVID-19 worldwide pandemic on the
9 residents of the State of New Jersey, and notwithstanding the
10 provisions of any other law to the contrary, the governing body of a
11 municipality may, by resolution, and with respect to the third
12 quarter installment of property tax payments due on August 1, 2020,
13 institute a grace period concluding no later than September 1, 2020
14 for the payment of property taxes by property taxpayers. The clerk
15 of a municipality that adopts a resolution implementing the
16 extended grace period permitted pursuant to this section shall
17 forward a copy of the resolution to the Director of the Division of
18 Local Government Services in the Department of Community
19 Affairs no later than the third day next following the governing
20 body's adoption of the resolution.

21 The governing body of a county shall not charge interest to a
22 municipality pursuant to R.S.54:4-76 if the municipality fails to pay
23 to the county property taxes collected by the municipality on its
24 behalf unless those property taxes remain unpaid on or after
25 September 16, 2020. If the taxes are not paid by September 16,
26 2020, the municipality shall be charged interest by the county
27 pursuant to R.S.54:4-76 from August 1, 2020 until the date that the
28 property taxes have been paid to the county.

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30 2. This act shall take effect immediately.

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STATEMENT

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35 This bill would permit the governing body of a municipality, by
36 resolution, with respect to the third quarter property tax payments
37 due on August 1, 2020, to institute a grace period concluding no
38 later than September 1, 2020 for the payment of property taxes by
39 property taxpayers. The clerk of a municipality that adopts a
40 resolution implementing the extended grace period permitted
41 pursuant to this section is required to forward a copy of the
42 resolution to the Director of the Division of Local Government
43 Services in the Department of Community Affairs no later than the
44 third day next following the governing body's adoption of the
45 resolution.

46 The governing body of a county is prohibited under the bill from
47 charging interest to a municipality pursuant to R.S.54:4-76 if the
48 municipality fails to pay over to the county property taxes collected

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1 by the municipality on its behalf, unless those property taxes remain
2 unpaid on or after September 16, 2020. If the taxes are not paid by
3 September 16, 2020, the municipality would be charged interest by
4 the county pursuant to R.S.54:4-76 from August 1, 2020 until the
5 date that the property taxes have been paid to the county.