

SENATE, No. 2474

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED MAY 11, 2020

Sponsored by:

Senator TROY SINGLETON

District 7 (Burlington)

SYNOPSIS

Permits extension of various deadlines applicable to local government units under certain circumstances; extends due date for quarterly property tax payments during COVID-19 emergency.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** concerning the extension of various deadlines applicable to
2 local government units and supplementing Title 52 of the
3 Revised Statutes.

4

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

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8 1. Notwithstanding the provisions of any law, rule, or
9 regulation to the contrary, whenever a public health emergency,
10 pursuant to the “Emergency Health Powers Act,” P.L.2005, c.222
11 (C.26:13-1 et seq.), or a state of emergency, pursuant to P.L.1942,
12 c.251 (C.App.A.9-33 et seq.), or both, has been declared by the
13 Governor and is in effect, the Director of the Division of Local
14 Government Services in the Department of Community Affairs
15 shall have the power to extend any deadline under the “Local
16 Budget Law,” N.J.S.40A:4-1 et seq., the “Local Fiscal Affairs
17 Law,” N.J.S.40A:5-1 et seq., the “Local Authorities Fiscal Control
18 Law,” P.L.1983, c.313 (C.40A:5A-1 et seq.), the “Municipal Land
19 Use Law,” P.L.1975, c.291 (C.40:55D-1 et seq.), under chapter 4 of
20 Title 54 of the Revised Statutes with respect to the issuance of any
21 tax bill, and under chapter 5 of Title 54 of the Revised Statutes with
22 respect to a municipal tax sale, except that the Director of the
23 Division of Local Government Services shall not have the authority
24 to permit municipalities to institute an extended grace period
25 pursuant to R.S.54:4-67 or to extend the dates for the payment of
26 taxes by a municipality due to a county, a school district, or any
27 other taxing district under chapter 4 of Title 54 of the Revised
28 Statutes or any other law. The Director of the Division of Local
29 Government Services, in consultation with the Director of the
30 Division of Taxation in the Department of the Treasury, shall have
31 the power to extend any other deadline established in chapter 1,
32 chapter 3, chapter 4, or chapter 5 of Title 54 of the Revised Statutes
33 if the Director of the Division of Local Government Services
34 determines that the extension is necessary to minimize and mitigate
35 additional hardships, loss, or suffering to the State and its political
36 subdivisions. No municipality, county, or any other agency or
37 political subdivision of this State shall enact or enforce any order,
38 rule, regulation, ordinance, or resolution that, in any way, conflicts
39 with any of the provisions of this section.

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41 2. Notwithstanding any provision of law, rule, or regulation to
42 the contrary, during the period of time that the public health
43 emergency, pursuant to the “Emergency Health Powers Act,”
44 P.L.2005, c.222 (C.26:13-1 et seq.), or the state of emergency,
45 pursuant to P.L.1942, c.251 (C.App.A.9-33 et seq.), or both, as
46 declared by the Governor pursuant to Executive Order No. 103, is
47 in effect, the deadline for the payment of quarterly property taxes
48 shall be extended without interest accruing thereon to the tenth

1 calendar day of the next calendar month after the month in which
2 the property taxes become payable pursuant to R.S.54:4-66, or
3 section 2 of P.L.1994, c.72 (C.54:4-66.1), as appropriate, and shall
4 be payable on that extended date, or at the end of a grace period
5 concluding at a later date if established by a municipality pursuant
6 to R.S.54:4-67. A quarterly property tax payment that is not paid
7 by a property taxpayer by the extended date, or by the end of a
8 grace period concluding at a later date, shall be assessed interest at
9 a rate not to exceed five percent per annum from the extended due
10 date to, and including, the date the property taxes are paid by the
11 taxpayer. The provisions of this section shall not apply to property
12 taxes due and owing by property taxpayers whose property tax
13 payments are made from escrow accounts held by a bank or other
14 financial institution holding a mortgage on the property for which
15 the property taxes have been assessed and levied.

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17 3. This act shall take effect immediately and shall be
18 retroactive to March 9, 2020.
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21 STATEMENT

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23 This bill provides authority to the Director of the Division of
24 Local Government Services in the Department of Community
25 Affairs to extend certain deadlines applicable to local government
26 units of the State during periods of emergency declared by the
27 Governor. The deadlines that the director may extend include, but
28 are not limited to, deadlines for: a county's notification to the
29 director of a county board of taxation's failure to receive a copy of
30 a school or municipal budget; a county board of taxation's
31 substitution of an adopted municipal budget for an amount certified
32 by the director; a county board of taxation to complete a table of
33 aggregates; the director to act as necessary in order to consolidate
34 ballot questions and procedures when a governing body elects to
35 hold certain referendums; the director to review and approve
36 municipal budgets that are not subject to local review; a
37 municipality to certify a preliminary tax levy; and a municipality to
38 cause an annual audit of their books, accounts, and financial
39 transactions. The bill also empowers the director to extend
40 deadlines under the "Municipal Land Use Law," P.L.1975, c.291
41 (C.40:55D-1 et seq.).

42 The bill expressly precludes the Director of the Division of Local
43 Government Services from permitting municipalities to institute an
44 extended grace period for quarterly property tax payments and other
45 municipal charges under R.S.54:4-67 or extending the deadlines for
46 the payment of taxes by a municipality due to a county, a school
47 district, or any other taxing district under chapter 4 of Title 54 of
48 the Revised Statutes or any other law.

1 Finally, the bill extends the deadline for the payment of quarterly
2 property taxes during the period of time that the public health
3 emergency or the state of emergency, or both, as declared by the
4 Governor pursuant to Executive Order No. 103, is in effect. The
5 bill provides that a quarterly property tax payment due and owing
6 by a property taxpayer would be extended without interest accruing
7 thereon to the tenth calendar day of the next calendar month after
8 the month in which the property taxes become payable pursuant to
9 law, and would be payable on that extended date, or at the end of a
10 grace period concluding at a later date if established by a
11 municipality pursuant to R.S.54:4-67. The bill also provides that a
12 quarterly property tax payment that is not paid by a property
13 taxpayer by that extended date, or by the end of a grace period
14 concluding after the extended date, would be assessed interest at a
15 rate not to exceed five percent from the extended due date to the
16 date the property taxes are paid by the taxpayer.

17 The provisions of the bill regarding the extended due date for
18 quarterly property taxes would not apply to property taxes due and
19 owing by property taxpayers whose property tax payments are made
20 from escrow accounts held by a bank or other financial institution
21 holding a mortgage on the property for which the property taxes are
22 assessed and payable, because property taxes have already been
23 collected from the property taxpayer through mortgage payments.