

CHAPTER 62

AN ACT providing local property tax relief through homestead rebates and credits and limits on local tax levies, amending and supplementing various parts of the statutory law, and making an appropriation.

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

1. The Legislature finds and declares:
 - a. On June 6, 2006, the New Jersey Senate President and the Assembly Speaker announced “an unprecedented special legislative session”;
 - b. On July 28, 2006, the Governor addressed a joint session of the Legislature and commended the Senate President and the Assembly Speaker for calling the special session;
 - c. At that time the Governor stated that property tax relief and reform should be addressed in a suitable manner;
 - d. The Governor proposed the creation of a new property tax credit program that would provide immediate relief to New Jersey homeowners and also urged the establishment of a four percent cap on property taxes;
 - e. Subsequent to the Governor's address, the Legislature adopted Assembly Concurrent Resolution No. 3, which created four bicameral, bipartisan Joint Committees to review and formulate proposals to reform property taxes;
 - f. The four Joint Committees followed an open and inclusive process, which consisted of 32 public meetings, broadcast live and archived on the Internet, and nine public hearings;
 - g. The four Joint Committees solicited testimony in person and through teleconferencing from State and national experts, academics, practitioners, and officials; reviewed thousands of pages of background materials; and received over 3,700 public emails;
 - h. The four Joint Committees issued comprehensive final reports that contained nearly 100 recommendations for short term property tax relief and long term reform;
 - i. One of the four Joint Committee final reports, "The Final Report of the Joint Legislative Committee on Constitutional Reform and Citizens' Property Tax Constitutional Convention," set forth findings and recommendations concerning property tax reform through amendments to the State Constitution and other proposals;
 - j. In its Final Report, the Joint Legislative Committee on Constitutional Reform and Citizens' Property Tax Constitutional Convention found that although the State's rebate programs have provided property tax relief to many residents, and particularly seniors, certain reforms and enhancements are necessary to improve the efficacy of the programs;
 - k. The Joint Committee also found that the property tax is regressive in nature and that many low and middle income New Jerseyans suffer from a disproportionately high property tax burden;
 - l. Accordingly, the Joint Committee recommended that the State should implement a credit program to replace the system of rebates and that additional funds should be allocated to the program to provide meaningful relief to those who need it most;
 - m. Thus, the Joint Committee concluded that the benefit under the new program should be increased to 20 percent for as many taxpayers as resources allow;
 - n. The Joint Committee found that the Legislature must work with the Governor to ensure that the new program will provide sustainable relief to New Jersey's taxpayers;
 - o. The Joint Committee studied the Governor's proposal to adopt a four percent property tax levy cap that provided limited exceptions and a sunset provision so that any unintended consequences such as those realized by other states that have adopted caps could be addressed before the cap would be made permanent;

p. The Joint Committee found that property tax levy caps have been shown to hold down rising property taxes, and therefore, the Legislature should develop a property tax levy cap that accomplishes this goal but does not lead to unintended, adverse consequences;

q. The Joint Committee recommended that the levy cap should protect taxpayers from large annual increases of recent years that have resulted in widespread dissatisfaction with prevailing tax burdens and made the State unaffordable for some;

r. The Joint Committee also recommended that the levy cap should contain a narrowly crafted set of exceptions to provide flexibility during periods of rapid growth or local emergencies and that it should include a sunset provision, which would act as a “safety valve” so that any unexpected consequences of imposing a levy cap could be addressed before the cap would be made permanent;

s. The Legislature commends the work of the Joint Committee and has fully considered its Final Report;

t. A new credit program with sufficient funding to provide a 20 percent benefit to most homeowners and residential tenants is the most practical and efficient means to reduce the State’s property tax burden;

u. A property tax levy cap is necessary to sustain the benefits of the new program;

v. A property tax levy cap is crucial to controlling various areas of government spending, especially those areas which have outpaced the growth in spending in the private sector;

w. A property tax levy cap will force government to live within their means, encourage public officials to elevate the public interest over special interests, and most importantly, reduce the rate of growth in property taxes;

x. The Governor in his 2007 State of the State Address agreed that a property tax levy cap, with limited exceptions and provisions for voter override, is the key to the sustainability of the relief in the 20 percent credit program;

y. The Governor also has expressed that a property tax levy cap will compel all governmental units to prioritize spending decisions and to aggressively search for structural changes that will bring down long term costs;

z. Changing the law to give local governmental units, including boards of education, the same flexibility that State government has to modify the payment obligations of the employer for active employee coverage under the State Health Benefits Program will assist local governmental units, including boards of education, in prioritizing spending decisions and aggressively searching for structural changes that will bring down long term costs;

aa. Property tax reform requires fiscal restraint at all levels and the State must continue to abide by the State Appropriations Limitation Cap, which curbs growth in spending on the State bureaucracy and held spending growth below 2.96% in the current fiscal year; and

bb. The State recognizes that sustaining property tax reform at the local levels requires the State to be a full partner in the funding of local needs and that State aid must continue to grow so that the full burden of providing necessary services does not fall on property taxpayers.

C.18A:7F-37 Definitions relative to property tax levy cap concerning school districts.

2. For the purposes of sections 2 through 7 of P.L.2007, c.62 (C.18A:7F-37 through C.18A:7F-42):

"Adjusted tax levy" means the amount raised by property taxation for the purposes of the school district, excluding any debt service payment.

“Commissioner” means the Commissioner of Education.

“New Jersey Quality Single Accountability Continuum” or “NJQSAC” means the monitoring and evaluation process of school districts pursuant to section 10 of P.L.1975, c.212 (C.18A:7A-10).

"Prebudget year adjusted tax levy" means the amount raised by property taxation in the prebudget year for the purposes of the school district, excluding any debt service payment, less any amounts raised after approval of a waiver by the commissioner or separate question by the voters or board of school estimate in the prebudget year unless such approval explicitly allows the approved increases to be permanent.

“School district” means any local or regional school district established pursuant to chapter 8 or chapter 13 of Title 18A of the New Jersey Statutes.

"Unrestricted State aid" means formula State aid that is included in a school district's State aid notice and allocated pursuant to P.L.1996, c.138 (C.18A:7F-1 et al.) or any other law for appropriation in a school district's general fund plus early childhood program aid allocated pursuant to section 16 of P.L.1996, c.138 (C.18A:7F-16) or any other law and demonstrably effective program aid and instructional supplement aid allocated pursuant to section 18 of P.L.1996, c.138 (C.18A:7F-18) or any other law.

“Weighted resident enrollment” means weighted resident enrollment as calculated pursuant to subsection a. of section 13 of P.L.1996, c.138 (C.18A:7F-13) and as projected by the commissioner.

C.18A:7F-38 School district budget increase subject to tax levy growth limitation.

3. a. Notwithstanding the provisions of any other law to the contrary, a school district shall not adopt a budget pursuant to sections 5 and 6 of P.L.1996, c.138 (C.18A:7F-5 and 18A:7F-6) with an increase in its adjusted tax levy that exceeds the tax levy growth limitation calculated as follows: the sum of the prebudget year adjusted tax levy and the adjustment for increases in enrollment multiplied by four percent, and adjustments for a reduction in total unrestricted State aid from the prebudget year, an increase in health care costs, and beginning in the 2008-2009 school year, amounts approved by a waiver granted by the commissioner pursuant to section 4 of P.L.2007, c.62 (C.18A:7F-39).

b. (1) The allowable adjustment for increases in enrollment authorized pursuant to subsection a. of this section shall equal the per pupil prebudget year adjusted tax levy multiplied by EP, where EP equals the sum of:

(a) 0.50 for each unit of weighted resident enrollment that constitutes an increase from the prebudget year over 1%, but not more than 2.5%;

(b) 0.75 for each unit of weighted resident enrollment that constitutes an increase from the prebudget year over 2.5%, but not more than 4%; and

(c) 1.00 for each unit of weighted resident enrollment that constitutes an increase from the prebudget year over 4%.

(2) A school district may request approval from the commissioner to calculate EP equal to 1.00 for any increase in weighted resident enrollment if it can demonstrate that the calculation pursuant to paragraph (1) of this subsection would result in an average class size that exceeds 10% above the facilities efficiency standards established pursuant to P.L.2000, c.72 (C.18A:7G-1 et al.).

c. The allowable adjustment for a reduction in total unrestricted State aid authorized pursuant to subsection a. of this section shall equal any reduction in total unrestricted State aid from the prebudget to the budget year.

d. The allowable adjustment for increases in health care costs authorized pursuant to subsection a. of this section shall equal that portion of the actual increase in total health care

costs for the budget year, less any withdrawals from the current expense emergency reserve account for increases in total health care costs, that exceeds four percent of the total health care costs in the prebudget year, but that is not in excess of the product of the total health care costs in the prebudget year multiplied by the average percentage increase of the State Health Benefits Program, P.L.1961, c.49 (C.52:14-17.25 et seq.), as annually determined by the Division of Pensions and Benefits in the Department of the Treasury.

e. In addition to the adjustments authorized pursuant to subsection a. of this section, for the purpose of determining a school district's allowable tax levy growth limitation for the 2007-2008 school year, a school district may apply to the commissioner for an adjustment for increases in special education costs over \$40,000 per pupil, increases in tuition, capital outlay increases, and incremental increases in costs for opening a new school facility in the budget year.

(1) The allowable adjustment for increases in special education costs over \$40,000 per pupil shall equal any increase in the sum of per pupil amounts in excess of \$40,000 for the budget year less the sum of per pupil amounts in excess of \$40,000 for the prebudget year indexed by four percent.

(2) The allowable adjustment for increases in tuition shall equal any increase in the tuition for the budget year charged to a sending district by the receiving district pursuant to the provisions of N.J.S.18A:38-19 or charged by a county vocational school district pursuant to the provisions of section 71 of P.L.1990, c.52 (C.18A:54-20.1) less 104 percent of the tuition for the prebudget year charged to a sending district by the receiving district pursuant to the provisions of N.J.S.18A:38-19 or charged by a county vocational school district pursuant to the provisions of section 71 of P.L.1990, c.52 (C.18A:54-20.1).

(3) The allowable adjustment for increases in capital outlay shall equal any increase in capital outlay, less any withdrawals from the capital reserve account, over the prebudget year in excess of four percent.

f. The adjusted tax levy shall be increased or decreased accordingly whenever the responsibility and associated cost of a school district activity is transferred to another school district or governmental entity.

C.18A:7F-39 Waiver for school district to increase adjusted tax levy by more than allowable amount.

4. a. (1) Beginning in the 2008-2009 school year, a school district may request approval from the commissioner for a waiver to increase its adjusted tax levy by more than the allowable amount authorized in section 3 of P.L.2007, c.62 (C.18A:7F-38) to address extraordinary costs which may include, but not be limited to:

(a) a district's failure to meet the core curriculum content standards as determined through the New Jersey Quality Single Accountability Continuum. Prior to full implementation of NJQSAC, such determination shall be based on a school district's status under the "No Child Left Behind Act of 2001," Pub.L. 107-110. The commissioner shall approve the increase only if the district satisfactorily demonstrates that the increase will be used to implement or expand programs or services to address the causes of the district's failure to meet the core curriculum content standards or other performance indicators as determined through NJQSAC;

(b) energy cost increases over the prebudget year in excess of four percent;

(c) capital outlay increases, less any withdrawals from the capital reserve account, over the prebudget year in excess of four percent;

(d) the appropriation of non-recurring general fund revenues in the prebudget year original budget, including the appropriation of surplus;

(e) increases in insurance costs over the prebudget year in excess of four percent;

(f) increases in transportation costs required to service hazardous routes over the prebudget year in excess of four percent;

(g) increases in special education costs that exceed \$40,000 per each special education pupil over the prebudget year in excess of four percent;

(h) increases in tuition costs charged to a sending district by the receiving district pursuant to the provisions of N.J.S.18A:38-19 over the prebudget year in excess of four percent or charged by a county vocational school district pursuant to the provisions of section 71 of P.L.1990, c.52 (C.18A:54-20.1) over the prebudget year in excess of four percent; and

(i) incremental increases in costs associated with opening a new school facility in the budget year.

(2) A waiver request shall be submitted at least five working days prior to the required budget submission dates established pursuant to sections 5 and 6 of P.L.1996, c.138 (C.18A:7F-5 and 18A:7F-6) in a form required by the commissioner, as appropriate, and shall include such information and documentation as the commissioner deems necessary.

(3) In considering a waiver request, in addition to the authority granted to the commissioner pursuant to section 6 of P.L.1996, c.138 (C.18A:7F-6), the commissioner shall have the power to make budgetary reallocations up to the total amount of the waiver request. The commissioner shall not reduce or reallocate any line item accounts that will impact the district's ability to meet the core curriculum content standards and provide a thorough and efficient education.

(4) A waiver approval shall specify whether the adjusted tax levy increase shall be limited to the budget year or added to the adjusted tax levy as a permanent increase.

(5) Any decision of the commissioner as to the entitlement of any school district to an increase of its adjusted tax levy pursuant to this section shall be final and conclusive, and no appeal or review shall be taken therefrom; except that the matter may be put before the voters pursuant to subsection c. of this section.

b. (1) The commissioner may direct a school district to increase specific line item expenditure accounts, for specific purposes, to address low achievement or the causes of the district's failure to meet the core curriculum content standards as determined through NJQSAC, or prior to full implementation of NJQSAC, as determined based on a school district's status under the "No Child Left Behind Act of 2001," Pub.L.107-110.

(2) The commissioner is authorized to approve a school district budget with an increase in its adjusted tax levy by more than the allowable amount authorized pursuant to section 3 of P.L.2007, c.62 (C.18A:7F-38), up to the amount required to support the increase in expenditure accounts as directed in paragraph (1) of this subsection.

c. For the 2007-2008 school year, or for the 2008-2009 through 2011-2012 school years if a waiver requested pursuant to subsection a. of this section fails to be approved by the commissioner or if the school district elects not to request a waiver, the school district may submit to the voters at the April school election, or on such other date as is set by regulation of the commissioner, a proposal or proposals to increase the tax levy by more than the allowable amount authorized pursuant to section 3 of P.L.2007, c.62 (C.18A:7F-38). The proposal or proposals to increase the tax levy shall be approved if a majority of people voting at the April 2007 school election vote in the affirmative, or if 60 percent of the people voting at the April 2008 through April 2011 school elections vote in the affirmative. In the case of

a school district with a board of school estimate, the additional tax levy shall be authorized only if a quorum is present for the vote and a majority of those board members who are present vote in the affirmative to authorize the additional tax levy.

(1) A proposal or proposals submitted to the voters or the board of school estimate to increase the tax levy pursuant to this subsection shall not include any programs or services necessary for students to achieve the core curriculum content standards.

(2) All proposals to increase the tax levy submitted pursuant to this subsection shall include interpretive statements specifically identifying the program purposes for which the proposed funds shall be used and a clear statement on whether approval will affect only the current year or result in a permanent increase in the levy. The proposals shall be submitted and approved pursuant to sections 5 and 6 of P.L.1996, c.138 (C.18A:7F-5 and 18A:7F-6).

(3) For only the 2007-2008 school budget year, any proposal or proposals rejected by the voters shall be submitted to the municipal governing body or bodies for a determination as to the amount, if any, that should be expended notwithstanding voter rejection. The decision of the municipal governing body or bodies or board of school estimate, as appropriate, shall be final and no appeals shall be made to the commissioner.

d. The commissioner shall have the authority to grant additional waivers, applicable to all or some school districts, as determined by the commissioner, and only effective for the school budget year in which the waiver is granted, upon a finding of extraordinary circumstances that result in an unanticipated increase in expenditures for a service essential to the health, safety and welfare of the school children of the State.

C.18A:7F-40 Calculation of increase in school district's general fund tax levy for certain school years.

5. a. Notwithstanding any provision of subsection d. of section 5 of P.L.1996, c.138 (C.18A:7F-5) or section 36 of P.L.2000, c.126 (C.18A:7F-5a) to the contrary, for the 2007-2008 through 2011-2012 school years the increase in a school district's general fund tax levy shall be calculated in accordance with the provisions of sections 2 through 4 of P.L.2007, c.62 (C.18A:7F-37 through C.18A:7F-39).

b. Notwithstanding any provision of paragraph (9) of subsection d. of section 5 of P.L.1996, c.138 (C.18A:7F-5) to the contrary, for the 2007-2008 through 2011-2012 school years the submission of a separate proposal or proposals for additional funds to the voters or the board of school estimate shall be submitted in accordance with the provisions of subsection c. of section 4 of P.L.2007, c.62 (C.18A:7F-39).

C.18A:7F-41 Supplementation of accounts, establishment of reserve accounts by board of education or board of school estimate.

6. Notwithstanding the provisions of any law or regulation to the contrary:

a. A board of education or board of school estimate, as appropriate, may supplement a capital reserve account through a transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both, for withdrawal in subsequent school years.

b. A board of education or board of school estimate, as appropriate, may supplement a maintenance reserve account through a transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both, for withdrawal in subsequent school years.

c. A board of education or a board of school estimate, as appropriate, may through the adoption of a board resolution establish the following reserve accounts:

(1) Current expense emergency reserve account. The funds in the reserve shall be used to finance unanticipated general fund current expense costs required for a thorough and efficient education. The account shall not exceed \$250,000 or one percent of the district's general fund budget up to a maximum of \$1,000,000, whichever is greater. A board of education may appropriate funds to establish or supplement the reserve in the district's annual budget or through a transfer by board resolution at year end of any unanticipated revenue and unexpended line-item appropriation amounts. Withdrawals from the reserve shall require the approval of the commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent.

(2) Debt service reserve account in the debt service fund for proceeds from the sale of district property. The funds in the reserve shall be used to retire outstanding debt service obligations of the district. The reserve shall be liquidated within the lesser of five years from its inception or the remaining term on the obligations. Any remaining balance shall be used for tax relief.

d. All reserve accounts shall be established and held in accordance with GAAP and shall be subject to annual audit. Any capital gains or interest earned shall become part of the reserve account. A separate bank account is not required, however, a separate identity for each reserve account shall be maintained.

C.18A:7F-42 Rules, regulations.

7. a. Within 60 days of the effective date of P.L.2007, c.62 (C.18A:7F-37 et al.), the Commissioner of Education shall promulgate emergency rules and regulations necessary to effectuate the purposes of sections 2 through 6 of P.L.2007, c.62 (C.18A:7F-37 through C.18A:7F-41) for the 2007-08 school year.

b. For the 2008-09 school year and thereafter, the Commissioner of Education shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations to effectuate the purposes of sections 2 through 6 of P.L.2007, c.62 (C.18A:7F-37 through C.18A:7F-41).

8. Section 7 of P.L.1996, c.138 (C.18A:7F-7) is amended to read as follows:

C.18A:7F-7 Undesignated general fund balances, use, limits.

7. a. For the 2004-2005 school year, an undesignated general fund balance in excess of 3% of the budgeted general fund for the prebudget year or \$100,000, whichever is greater, shall be appropriated by a school district based on surplus as anticipated pursuant to paragraph (2) of subsection a. of N.J.S.18A:22-8 and included in the budget prepared pursuant to section 5 of this act. In the event that the district's 2004-2005 budget is not approved by the voters of the district or the board of school estimate, the district may use the undesignated general fund balance which exceeds 3% to meet the reduction in tax levy certified by the municipal governing body or bodies or board of school estimate following review of the defeated budget. Any appropriation of the undesignated general fund balance made by board resolution following the April 2004 school budget election and prior to the effective date of P.L.2004, c.73 to the capital reserve account or maintenance reserve account or to increase spending for the 2003-2004 school year shall be null and void unless, upon written application to the commissioner, the district demonstrates that the appropriation was necessary for use in the 2003-2004 school year to meet the thoroughness standards established pursuant to subsection a. of section 4 of P.L.1996, c.138 (C.18A:7F-4) and no other line item account balances were available.

In the 2005-2006 school year and thereafter, an undesignated general fund balance in excess of 2% of the budgeted general fund for the prebudget year or \$250,000, whichever is greater, shall be appropriated by a school district for the purpose of the budget prepared pursuant to section 5 of this act.

The amount of any funds made available for appropriation as a result of the reduction in the percentage of authorized undesignated general fund balance pursuant to P.L.2004, c.73 shall be used to reduce the general fund tax levy required for the budget year.

In the case of a county vocational school district, if the amount of the budgeted general fund for the prebudget year is \$100 million or less, an undesignated general fund balance in excess of 6% of that amount or \$250,000, whichever is greater, shall be appropriated by the county vocational school district for the purpose of the budget prepared pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5). If the amount of the budgeted general fund for the prebudget year exceeds \$100 million, an undesignated general fund balance in excess of 6% of the first \$100 million and in excess of 3% of the amount which exceeds \$100 million shall be appropriated by a county vocational school district for the purpose of the budget prepared pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5).

b. Notwithstanding the provisions of subsection a. of this section, the district may, with the approval of the commissioner, appropriate any anticipated excess undesignated general fund balance to the capital reserve account established pursuant to N.J.S.18A:21-3 or section 57 of P.L.2000, c.72 (C.18A:7G-31) for that purpose.

c. If it is determined that the undesignated general fund balances at June 30 of any school year exceed those permitted under subsection a. of this section, the excess undesignated general fund balances shall be reserved and designated in the subsequent year's budget submitted to the commissioner pursuant to subsection c. of section 5 of this act.

d. The commissioner may withhold State aid in an amount not to exceed the excess undesignated general fund balances for failure to comply with subsection c. of this section.

e. Proceeds from the sale and lease-back of textbooks and non-consumable instructional materials shall not be included in the calculation of excess undesignated general fund balance during the budget year in which they are realized.

C.40A:4-45.44 Definitions relative to property tax levy cap concerning local units.

9. For the purposes of sections 9 through 13 of P.L.2007, c.62 (C.40A:4-45.44 through C.40A:4-45.47 and C.40A:4-45.3e):

"Adjusted tax levy" means an amount not greater than the amount to be raised by taxation of the previous fiscal year, less any waivers from a prior fiscal year required to be deducted by the Local Finance Board pursuant to section 11 of P.L.2007, c.62 (C.40A:4-45.46), that result multiplied by 1.04, to which the sum of exclusions defined in subsection b. of section 10 of P.L.2007, c.62 (C.40A:4-45.45) shall be added.

"Amount to be raised by taxation" means the property tax levy set in the annual budget of a local unit.

"Local unit" means a municipality, county, fire district, or solid waste collection district, but shall not include a municipality that had a municipal purposes tax rate of \$0.10 or less per \$100 for the previous tax year.

"New ratables" means the product of the taxable value of any new construction or improvements times the tax rate of a local unit for its previous tax year.

C.40A:4-45.45 Cap on calculation of adjusted tax levy by local unit; exclusions.

10. a. In the preparation of its budget the amount to be raised by taxation by a local unit shall not exceed the sum of new ratables, the adjusted tax levy, and the total of waivers approved pursuant to section 11 of P.L.2007, c.62 (C.40A:4-45.46); provided, however, that in the case of a county, the amount to be raised by taxation shall not exceed the amount permitted by section 4 of P.L.1976, c. 68 (C.40A:4-45.4).

b. The following exclusions shall be added to the calculation of the adjusted tax levy:

(1) increases in amounts required to be raised for (a) all debt service and (b) lease payments with county improvement authorities pursuant to leases in effect on the effective date of P.L.2007, c.62 (C.18A:7F-37 et al.);

(2) increases in amounts required to be raised to replace State formula aid due to a reduction in State formula aid from the previous local budget year;

(3) increases in amounts for certain pension contributions set forth in section 5 of P.L.2003, c.108 (C.40A:4-45.43) for the years set forth in that section;

(4) with respect to municipalities, any increase, greater than four percent, in the reserve for uncollected taxes that is required by law;

(5) increases in health care costs equal to that portion of the actual increase in total health care costs for the budget year that is in excess of four percent of the total health care costs in the prior year, but is not in excess of the product of the total health care costs in the prior year and the average percentage increase of the State Health Benefits Program, P.L.1961, c.49 (C.52:14-17.25 et seq.), as annually determined by the Division of Pensions and Benefits in the Department of the Treasury.

(6) Notwithstanding the other provisions of this subsection, when the appropriation for all debt service is less than the amount appropriated for all debt service in the prior fiscal year, the amount of the difference shall be deducted from the sum of the exclusions listed in paragraphs (1) through (5) of this subsection. If there are no exclusions, then the amount of the difference shall reduce the adjusted tax levy by that amount. Any cancelled or unexpended appropriation for any exclusion pursuant to this subsection or waiver pursuant to section 11 of P.L.2007, c.62 (C.40A:4-45.46), also shall be deducted from the sum of the exclusions listed in paragraphs (1) through (5) or directly reduce the adjusted tax levy if there are no exclusions.

C.40A:4-45.46 Waiver for local unit to increase amount raised by taxes to address extraordinary costs; referendum.

11. a. The governing body of a local unit may request approval from the Local Finance Board in the Department of Community Affairs for a waiver to increase its amount to be raised by taxes to address extraordinary costs, which may include but not limited to:

(1) increases in appropriations for capital lease payments;

(2) energy cost increases in excess of four percent;

(3) increases in insurance costs over the prebudget year in excess of four percent;

(4) offsetting the loss of a non-recurring general fund revenue or surplus;

(5) total net expenditures for new mandated services or net expenditure increases above four percent for the cost of those services that are mandated by any order of court, by any federal or State statute, or by administrative rule, directive, order, or other legally binding device issued by a State agency which has identified such cost as mandated expenditures on certification to the Local Finance Board by the State agency; and

(6) any purpose related to the provision of government services that the board deems essential to protect or promote the public health, safety, or welfare.

Amounts raised pursuant to a waiver granted pursuant to this subsection shall be included in the calculation of the adjusted tax levy in a subsequent year, unless otherwise required by the waiver.

Any decision of the Local Finance Board as to the entitlement of any local unit to a tax levy cap increase under this section shall be final and conclusive, and no appeal or review shall be taken therefrom; provided, however, that the matter may be put before the voters pursuant to subsection b. of this section.

b. (1) Notwithstanding subsection a. of this section, the governing body of a local unit may request approval, through a public question submitted to the legal voters residing in its territory to increase the amount to be raised by taxation by more than the allowable adjusted tax levy. Approval shall be by an affirmative vote of 60 percent or more of the people voting on the question at the election. The local unit budget proposing the increase shall be introduced and approved in the manner otherwise provided for budgets of that local unit at least 20 days prior to the date on which the referendum is to be held, and shall be published in the manner otherwise provided for budgets of the local unit at least 12 days prior to the referendum date, unless otherwise directed by the Director of the Division of Local Government Services in the Department of Community Affairs.

(2) The public question to be submitted to the voters at the referendum shall state only the amount by which the adjusted tax levy shall be increased by more than the otherwise allowable adjusted tax levy, and the percentage rate of increase which that amount represents over the allowable adjusted tax levy. The public question shall include an accompanying explanatory statement that identifies the changes in appropriations or revenues that warranted the governing body's decision to ask the public question; or, in the alternative and subject to the approval of the Director of the Division of Local Government Services in the Department of Community Affairs, a clear and concise narrative explanation of the circumstances for the increased adjusted tax levy being proposed.

(3) Unless otherwise provided pursuant to section 1 of P.L.1989, c.31 (C.40A:4-5.1), a referendum conducted pursuant to this subsection shall be held:

(a) for calendar year budgets only on the fourth Tuesday in January and the second Tuesday in March other than in year when a presidential primary election occurs, in which case no such election on that date may be called; and

(b) for fiscal year budgets, only the last Tuesday in September, or the second Tuesday in December;

provided, however, that no referendum shall held on the same day as a referendum to exceed the school district levy cap.

(4) Any decision of the voters rejecting an increase to the tax levy cap under this subsection shall be final and conclusive, and no appeal or review shall be taken therefrom and no waiver application shall be made to the Local Finance Board.

(5) The director is authorized to act as necessary in order to consolidate ballot questions and procedures when a governing body elects to hold a referendum under both this section and section 9 of P.L.1983, c.49 (C.40A:4-45.16).

c. The Local Finance Board shall have the authority to grant additional waivers, applicable to all or some local units, as determined by the board, and only effective for the local budget year in which the waiver is granted, upon a finding of extraordinary circumstances that result in an unanticipated increase in expenditures for a service essential to the health, safety, and welfare of the residents of the State.

d. The adjusted tax levy shall be increased or decreased accordingly whenever the responsibility and associated cost of an activity performed by a local unit is transferred to or from a local unit, other government entity, or other service provider.

C.40A:4-45.47 Actions taken by director to implement provisions concerning cap on the property tax levy; rules, regulations.

12. a. The Director of the Division of Local Government Services in the Department of Community Affairs shall take such action as is deemed necessary and consistent with the intent of sections 9 through 11 of P.L.2007, c.62 (C.40A:4-45.44 through C.40A:4-45.46) to implement its provisions.

b. The director, in consultation with the Commissioner of Education regarding referendum dates, shall promulgate rules and regulations to effectuate the purposes of subsection b. of section 11 of P.L.2007, c.62 (C.40A:4-45.46).

C.40A:4-45.3e Additional exceptions to limits on increases to certain appropriations of local units.

13. In addition to the exceptions to the limits on increases to municipal appropriations set forth in section 3 of P.L.1976, c.68 (C.40A:4-45.3) and to the county tax levy set forth in section 4 of P.L.1976, c.68 (C.40A:4-45.4), an increase in appropriations that represents expenditures made by a municipality or county for the purpose of funding the provision of health insurance shall be exempt from the limits on increases to municipal appropriations and to the limits on increases to the county tax levy in county budgets, respectively, for any budget year, to the extent that the increases in health care costs equal that portion of the actual increase in total health care costs for the budget year that is in excess of four percent of the total health care costs in the prior year, but is not in excess of the product of the total health care costs in the prior year and the average percentage increase of the State Health Benefits Program, as annually determined by the Division of Pensions and Benefits in the Department of the Treasury.

14. Section 3 of P.L.1977, c.85 (C.34:13A-16) is amended to read as follows:

C.34:13A-16 Negotiations between public fire, police department and exclusive representative; binding arbitration.

3. a. (1) Negotiations between a public fire or police department and an exclusive representative concerning the terms and conditions of employment shall begin at least 120 days prior to the day on which their collective negotiation agreement is to expire. The parties shall meet at least three times during that 120-day period. The first of those three meetings shall take place no later than the 90th day prior to the day on which their collective negotiation agreement is to expire. By mutual consent, the parties may agree to extend the period during which the second and third meetings are required to take place beyond the day on which their collective negotiation agreement is to expire. A violation of this paragraph shall constitute an unfair practice and the violator shall be subject to the penalties prescribed by the commission pursuant to rule and regulation.

(2) Whenever those negotiations concerning the terms and conditions of employment shall reach an impasse, the commission, through the Division of Public Employment Relations shall, upon the request of either party, or upon its own motion take such steps, including the assignment of a mediator, as it may deem expedient to effect a voluntary resolution of the impasse.

b. (1) In the event of a failure to resolve the impasse by mediation, the Division of Public Employment Relations, at the request of either party, shall invoke factfinding with recommendation for settlement of all issues in dispute unless the parties reach a voluntary settlement prior to the issuance of the factfinder's report and recommended terms of settlement. Factfindings shall be limited to those issues that are within the required scope of negotiations unless the parties to the factfinding agree to factfinding on permissive subjects of negotiation. In the event of a continuing failure to resolve an impasse by means of the procedure set forth in this paragraph, and notwithstanding the fact that such procedures have not been exhausted, the parties shall notify the commission, at a time and in a manner prescribed by the commission, as to whether or not they have agreed upon a terminal procedure for resolving the issues in dispute. Any terminal procedure mutually agreed upon by the parties shall be reduced to writing, provide for finality in resolving the issues in dispute, and shall be submitted to the commission for approval.

(2) Notwithstanding the provisions of paragraph (2) of subsection a. of this section or paragraph (1) of this subsection, either party may petition the commission for arbitration on or after the date on which their collective negotiation agreement expires. The petition shall be filed in a manner and form prescribed by the commission. The party filing the petition shall notify the other party of its action. The notice shall be given in a manner and form prescribed by the commission.

Within 10 days of the receipt of the notice by the non-petitioning party, the parties shall notify the commission as to whether or not they have agreed upon a terminal procedure for resolving the issues in dispute. Any terminal procedure mutually agreed upon by the parties shall be reduced to writing, provide for finality in resolving the issues in dispute, and shall be submitted to the commission for approval. If the parties fail to agree on a terminal procedure, they shall be subject to the provisions of subsection d. of this section.

c. Terminal procedures that are approvable include, but shall not be limited to the following:

(1) Conventional arbitration of all unsettled items.

(2) Arbitration under which the award by an arbitrator or panel of arbitrators is confined to a choice between (a) the last offer of the employer and (b) the last offer of the employees' representative, as a single package.

(3) Arbitration under which the award is confined to a choice between (a) the last offer of the employer and (b) the last offer of the employees' representative, on each issue in dispute, with the decision on an issue-by-issue basis.

(4) If there is a factfinder's report with recommendations on the issues in dispute, the parties may agree to arbitration under which the award would be confined to a choice among three positions: (a) the last offer of the employer as a single package, (b) the last offer of the employees' representative as a single package, or (c) the factfinder's recommendations as a single package.

(5) If there is a factfinder's report with a recommendation on each of the issues in dispute, the parties may agree to arbitration under which the award would be confined to a choice on each issue from among three positions: (a) the last offer of the employer on the issue, (b) the employee representative's last offer on the issue, or (c) the factfinder's recommendation on the issue.

(6) Arbitration under which the award on the economic issues in dispute is confined to a choice between (a) the last offer of the employer on the economic issues as a single package and (b) the employee representative's last offer on the economic issues as a single package; and, on any noneconomic issues in dispute, the award is confined to a choice between (a) the

last offer of the employer on each issue in dispute and (b) the employee representative's last offer on that issue.

d. The following procedure shall be utilized if parties fail to agree on a terminal procedure for the settlement of an impasse dispute:

(1) In the event of a failure of the parties to agree upon an acceptable terminal procedure the parties shall separately so notify the commission in writing, indicating all issues in dispute and the reasons for their inability to agree on the procedure. The substance of a written notification shall not provide the basis for any delay in effectuating the provisions of this subsection.

(2) Upon receipt of such notification from either party or on the commission's own motion, the procedure to provide finality for the resolution of issues in dispute shall be binding arbitration under which the award on the unsettled issues is determined by conventional arbitration. The arbitrator shall separately determine whether the total net annual economic changes for each year of the agreement are reasonable under the eight statutory criteria set forth in subsection g. of this section.

e. (1) The commission shall take measures to assure the impartial selection of an arbitrator or arbitrators from its special panel of arbitrators. Unless the parties, in a time and manner prescribed by the commission, mutually agree upon the selection of an arbitrator from the commission's special panel of arbitrators and so notify the commission in writing of that selection, the assignment of any arbitrator for the purposes of this act shall be the responsibility of the commission, independent of and without any participation by either of the parties. The commission shall select the arbitrator for assignment by lot.

In any proceeding where an arbitrator selected by mutual agreement is unable to serve, the two parties shall be afforded an opportunity to select a replacement. If the two parties are unable to mutually agree upon the selection of a replacement within a time period prescribed by the commission, the commission shall select the replacement in the manner hereinafter provided.

In any proceeding where an assigned arbitrator is unable to serve or, pursuant to the preceding paragraph, the two parties are unable to mutually agree upon a replacement, the commission shall assign a replacement arbitrator. The assignment shall be the responsibility of the commission, independent of and without any participation by either of the parties. The commission shall select the replacement arbitrator for assignment by lot.

(2) Appointment to the commission's special panel of arbitrators shall be for a three-year term, with reappointment contingent upon a screening process similar to that used for determining initial appointments.

The commission may suspend, remove, or otherwise discipline an arbitrator for a violation of P.L.1977, c.85 (C.34:13A-14 et seq.), section 4 of P.L.1995, c.425 (C.34:13A-16.1) or for good cause.

f. (1) At a time prescribed by the commission, the parties shall submit to the arbitrator or tripartite panel of arbitrators their final offers on each economic and non-economic issue in dispute. The offers submitted pursuant to this section shall be used by the arbitrator for the purposes of determining an award pursuant to paragraph (2) of subsection d. of this section. The commission shall promulgate rules and procedures governing the submission of the offers required under this paragraph, including when those offers shall be deemed final, binding and irreversible.

(2) In the event of a dispute, the commission shall have the power to decide which issues are economic issues. Economic issues include those items which have a direct relation to employee income including wages, salaries, hours in relation to earnings, and other forms of

compensation such as paid vacation, paid holidays, health and medical insurance, and other economic benefits to employees.

(3) Throughout formal arbitration proceedings the chosen arbitrator or panel of arbitrators may mediate or assist the parties in reaching a mutually agreeable settlement.

(4) Arbitration shall be limited to those subjects that are within the required scope of collective negotiations, except that the parties may agree to submit to arbitration one or more permissive subjects of negotiation.

(5) The decision of an arbitrator or panel of arbitrators shall include an opinion and an award, and shall be rendered within 120 days of the selection of the arbitrator by the mutual agreement of both parties or the commission's assignment of that arbitrator or panel of arbitrators, as the case may be, pursuant to paragraph (1) of subsection e. of this section; provided, however, the arbitrator or panel of arbitrators, for good cause, may petition the commission for an extension of not more than 60 days. The two parties, by mutual consent, may agree to an extension. The parties shall notify the arbitrator and the commission of any such agreement in writing. The notice shall set forth the specific date on which the extension shall expire. Any arbitrator or panel of arbitrators violating the provisions of this paragraph may be subject to the commission's powers under paragraph (2) of subsection e. of this section. The decision shall be final and binding upon the parties and shall be irreversible, except:

(a) Within 14 days of receiving an award, an aggrieved party may file notice of an appeal of an award to the commission on the grounds that the arbitrator failed to apply the criteria specified in subsection g. of this section or violated the standards set forth in N.J.S.2A:24-8 or N.J.S.2A:24-9. The appeal shall be filed in a form and manner prescribed by the commission. In deciding an appeal, the commission, pursuant to rule and regulation and upon petition, may afford the parties the opportunity to present oral arguments. The commission may affirm, modify, correct or vacate the award or may, at its discretion, remand the award to the same arbitrator or to another arbitrator, selected by lot, for reconsideration. An aggrieved party may appeal a decision of the commission to the Appellate Division of the Superior Court.

(b) An award that is not appealed to the commission shall be implemented immediately. An award that is appealed and not set aside by the commission shall be implemented within 14 days of the receipt of the commission's decision absent a stay.

(6) The parties shall bear the costs of arbitration subject to a fee schedule approved by the commission.

g. The arbitrator or panel of arbitrators shall decide the dispute based on a reasonable determination of the issues, giving due weight to those factors listed below that are judged relevant for the resolution of the specific dispute. In the award, the arbitrator or panel of arbitrators shall indicate which of the factors are deemed relevant, satisfactorily explain why the others are not relevant, and provide an analysis of the evidence on each relevant factor:

(1) The interests and welfare of the public. Among the items the arbitrator or panel of arbitrators shall assess when considering this factor are the limitations imposed upon the employer by P.L.1976, c.68 (C.40A:4-45.1 et seq.).

(2) Comparison of the wages, salaries, hours, and conditions of employment of the employees involved in the arbitration proceedings with the wages, hours, and conditions of employment of other employees performing the same or similar services and with other employees generally:

(a) In private employment in general; provided, however, each party shall have the right to submit additional evidence for the arbitrator's consideration.

(b) In public employment in general; provided, however, each party shall have the right to submit additional evidence for the arbitrator's consideration.

(c) In public employment in the same or similar comparable jurisdictions, as determined in accordance with section 5 of P.L.1995, c.425 (C.34:13A-16.2); provided, however, that each party shall have the right to submit additional evidence concerning the comparability of jurisdictions for the arbitrator's consideration.

(3) The overall compensation presently received by the employees, inclusive of direct wages, salary, vacations, holidays, excused leaves, insurance and pensions, medical and hospitalization benefits, and all other economic benefits received.

(4) Stipulations of the parties.

(5) The lawful authority of the employer. Among the items the arbitrator or panel of arbitrators shall assess when considering this factor are the limitations imposed upon the employer by P.L.1976, c.68 (C.40A:4-45.1 et seq.).

(6) The financial impact on the governing unit, its residents and taxpayers. When considering this factor in a dispute in which the public employer is a county or a municipality, the arbitrator or panel of arbitrators shall take into account, to the extent that evidence is introduced, how the award will affect the municipal or county purposes element, as the case may be, of the local property tax; a comparison of the percentage of the municipal purposes element or, in the case of a county, the county purposes element, required to fund the employees' contract in the preceding local budget year with that required under the award for the current local budget year; the impact of the award for each income sector of the property taxpayers of the local unit; the impact of the award on the ability of the governing body to (a) maintain existing local programs and services, (b) expand existing local programs and services for which public moneys have been designated by the governing body in a proposed local budget, or (c) initiate any new programs and services for which public moneys have been designated by the governing body in a proposed local budget.

(7) The cost of living.

(8) The continuity and stability of employment including seniority rights and such other factors not confined to the foregoing which are ordinarily or traditionally considered in the determination of wages, hours, and conditions of employment through collective negotiations and collective bargaining between the parties in the public service and in private employment.

(9) Statutory restrictions imposed on the employer. Among the items the arbitrator or panel of arbitrators shall assess when considering this factor are the limitations imposed upon the employer by section 10 of P.L.2007, c.62 (C.40A:4-45.45).

h. A mediator, factfinder, or arbitrator while functioning in a mediatory capacity shall not be required to disclose any files, records, reports, documents, or other papers classified as confidential received or prepared by him or to testify with regard to mediation, conducted by him under this act on behalf of any party to any cause pending in any type of proceeding under this act. Nothing contained herein shall exempt such an individual from disclosing information relating to the commission of a crime.

C.52:9H-42 Report on tax levy caps to Governor, Legislature.

15. On or before January 15, 2012, the New Jersey Tax and Fiscal Policy Study Commission created by P.L.2007, c.43 (C.52:9H-39 et seq.) shall report to the Governor and Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), evaluating the efficacy of the tax levy caps and making recommendations.

16. N.J.S.40A:2-3 is amended to read as follows:

Power to incur indebtedness, borrow money, issue bonds.

40A:2-3. Any local unit, by bond ordinance, may incur indebtedness, borrow money, authorize and issue negotiable obligations for financing:

- a. any capital improvement or property which it may lawfully make or acquire;
- b. any purpose for which it is authorized or required by law to make an appropriation, except current expenses, as may be defined by rule and regulation of the Local Finance Board, and payment of obligations (other than those for temporary financing); or
- c. the amount of any contribution by a local unit that is a sending municipality under a regional contribution agreement pursuant to section 12 of P.L.1985, c.222 (C.52:27D-312).

No local unit shall borrow money or issue its obligations for purposes authorized under this chapter except as provided in this chapter.

17. N.J.S.40A:2-22 is amended to read as follows:

Maximum bond terms.

40A:2-22. The governing body of the local unit shall determine the period of usefulness of any purpose according to its reasonable life computed from the date of the bonds, which period shall not be greater than the following:

- a. Buildings and structures.
 1. Bridges, including retaining walls and approaches, or permanent structures of brick, stone, concrete or metal, or similar durable construction, 30 years.
 2. Buildings, including the original furnishings and equipment therefor:
 - Class A: A building, of which all walls, floors, partitions, stairs and roof are wholly of incombustible material, except the window frames, doors, top flooring and wooden handrails on the stairs, 40 years;
 - Class B: A building, the outer walls of which are wholly of incombustible material, except the window frames and doors, 30 years;
 - Class C: A building which does not meet the requirements of Class A or Class B, 20 years.
 3. Buildings or structures acquired substantially reconstructed or additions thereto, one-half the period fixed in this subsection for such buildings or structures.
 4. Additional furnishings, five years.
- b. Marine improvements.
 1. Harbor improvements, docks or marine terminals, 40 years.
 2. Dikes, bulkheads, jetties or similar devices of stone, concrete or metal, 15 years; of wood or partly of wood, 10 years.
- c. Additional equipment and machinery.
 1. Additional or replacement equipment and machinery, 15 years.
 2. Voting machines, 15 years.
 3. Information technology and telecommunications equipment, 7 years, except that for items with a unit cost of less than \$5,000, 5 years.
- d. Real property.
 1. Acquisition for any public purpose of lands or riparian rights, or both, and the original dredging, grading, draining or planting thereof, 40 years.
 2. Improvement of airport, cemetery, golf course, park, playground, 15 years.
 3. Stadia of concrete or other incombustible materials, 20 years.

e. Streets or thoroughfares.

1. Elimination of grade crossings, 35 years.

2. Streets or roads:

Class A: Rigid pavement. A pavement of not less than eight inches of cement concrete or a six-inch cement concrete base with not less than three-inch bituminous concrete surface course, or equivalent wearing surface, 20 years.

Flexible pavement. A pavement not less than 10 inches in depth consisting of five-inch macadam base, three-inch modified penetration macadam and three-inch bituminous concrete surface course or other pavements of equivalent strength, in accordance with the findings of the American Association of State Highway Officials (AASHO) Road Test, 20 years.

Class B: Mixed surface-treated road. An eight-inch surface of gravel, stone or other selected material under partial control mixed with cement or lime and fly ash, six inches in compacted thickness with bituminous surface treatment and cover, 10 years.

Bituminous penetration road. A five-inch gravel or stone base course and a three-inch course bound with a bituminous or equivalent binder, 10 years.

Class C: Mixed bituminous road. An eight-inch surface of gravel, stone, or other selected material under partial control mixed with bituminous material one inch or more in compacted thickness, five years.

Penetration macadam road. A road of sand, gravel or water-bound macadam, or surfacing with penetration macadam, five years.

3. Sidewalks, curbs and gutters of stone, concrete or brick, 10 years.

The period of usefulness in this subsection shall apply to construction and reconstruction of streets and thoroughfares.

f. Utilities and municipal systems.

1. Sewerage system, whether sanitary or storm water, water supply or distribution system, 40 years.

2. Electric light, power or gas systems, garbage, refuse or ashes incinerator or disposal plant, 25 years.

3. Communication and signal systems, 10 years.

4. House connections to publicly-owned gas, water or sewerage systems from the service main in the street to the curb or property lines where not part of original installation, five years.

g. Vehicles and apparatus.

1. Fire engines, apparatus and equipment, when purchased new, but not fire equipment purchased separately, 10 years.

2. Automotive vehicles, including original apparatus and equipment (other than passenger cars and station wagons), when purchased new, five years.

3. Major repairs, reconditioning or overhaul of fire engines and apparatus, ambulances, rescue vehicles, and similar public safety vehicles (other than passenger cars and station wagons) which may reasonably be expected to extend for at least five years the period of usefulness thereof, five years.

h. The closure of a sanitary landfill facility utilized, owned or operated by a county or municipality, 15 years; provided that the closure has been approved by the Board of Public Utilities and the Department of Environmental Protection. For the purposes of this subsection "closure" means all activities associated with the design, purchase or construction of all measures required by the Department of Environmental Protection, pursuant to law, in order to prevent, minimize or monitor pollution or health hazards resulting from sanitary landfill facilities subsequent to the termination of operations at any portion thereof,

including, but not necessarily limited to, the costs of the placement of earthen or vegetative cover, and the installation of methane gas vents or monitors and leachate monitoring wells or collection systems at the site of any sanitary landfill facility.

i. (Deleted by amendment, P.L.2007, c.62.)

j. The prefunding of a claims account for environmental liability claims by an environmental impairment liability insurance pool pursuant to P.L.1993, c.269 (C.40A:10-38.1 et al.), 20 years.

C.40A:2-22.1 Request for determination of period of usefulness.

18. A local unit may request, in a form and manner determined by rule and regulation of the Local Finance Board, that the Director of the Division of Local Government Services in the Department of Community Affairs determine a period of usefulness for any capital improvement or property not included in N.J.S.40A:2-22, provided that the maximum period of usefulness so determined shall not exceed 15 years.

19. The title of P.L.1999, c.63 is amended to read as follows:

Title amended.

AN ACT providing for direct property tax relief for individual homestead owners and renters in this State, establishing the New Jersey Homestead Property Tax Credit Act (the NJ Homestead Credit Act), amending and supplementing P.L.1990, c.61 (C.54:4-8.57 et al.), amending P.L.1981, c.239 and P.L.1997, c.348, and making an appropriation.

20. Section 1 of P.L.1990, c.61 (C.54:4-8.57) is amended to read as follows:

C.54:4-8.57 Short title.

1. Sections 1 through 10 of P.L.1990, c.61 (C.54:4-8.57 through 54:4-8.66) and sections 3, 14 through 16, 18 and 19 of P.L.1999, c.63 (C.54:4-8.58a and C.54:4-8.66a through C.54:4-8.66e) shall be known and may be cited as the "Homestead Property Tax Credit Act".

21. Section 2 of P.L.1990, c.61 (C.54:4-8.58) is amended to read as follows:

C.54:4-8.58 Definitions relative to homestead credit act.

2. As used in sections 2 through 10 of P.L.1990, c.61 (C.54:4-8.58 through 54:4-8.66) and sections 3 and 14 through 16 of P.L.1999, c.63 (C.54:4-8.58a and 54:4-8.66a through C.54:4-8.66c):

"Annualized rent" means, for tax years 2004 and thereafter, the rent paid by the claimant during the tax year for which the homestead rebate is being claimed, and if paid for a lease term covering less than the full tax year, the actual rent paid for the days during the term of the lease of the homestead proportionalized as if the term of the lease had been for 365 days of the tax year;

"Arm's-length transaction" means a transaction in which the parties are dealing from equal bargaining positions, neither party is subject to the other's control or dominant influence, and the transaction is entirely legal in all respects and is treated with fairness and integrity;

"Condominium" means the form of real property ownership provided for under the "Condominium Act," P.L.1969, c.257 (C.46:8B-1 et seq.);

"Continuing care retirement community" means a residential facility primarily for retired persons where lodging and nursing, medical or other health related services at the same or

another location are provided as continuing care to an individual pursuant to an agreement effective for the life of the individual or for a period greater than one year, including mutually terminable contracts, and in consideration of the payment of an entrance fee with or without other periodic charges;

"Cooperative" means a housing corporation or association which entitles the holder of a share or membership interest thereof to possess and occupy for dwelling purposes a house, apartment, manufactured or mobile home or other unit of housing owned or leased by the corporation or association, or to lease or purchase a unit of housing constructed or to be constructed by the corporation or association;

"Director" means the Director of the Division of Taxation in the Department of the Treasury;

"Dwelling house" means any residential property assessed as real property which consists of not more than four units, of which not more than one may be used for commercial purposes, but shall not include a unit in a condominium, cooperative, horizontal property regime or mutual housing corporation;

"Homestead" means:

a. (1) a dwelling house and the land on which that dwelling house is located which constitutes the place of the claimant's domicile and is owned and used by the claimant as the claimant's principal residence;

(2) a dwelling house situated on land owned by a person other than the claimant which constitutes the place of the claimant's domicile and is owned and used by the claimant as the claimant's principal residence;

(3) a condominium unit or a unit in a horizontal property regime which constitutes the place of the claimant's domicile and is owned and used by the claimant as the claimant's principal residence;

(4) for purposes of this definition as provided in this subsection, in addition to the generally accepted meaning of owned or ownership, a homestead shall be deemed to be owned by a person if that person is a tenant for life or a tenant under a lease for 99 years or more and is entitled to and actually takes possession of the homestead under an executory contract for the sale thereof or under an agreement with a lending institution which holds title as security for a loan, or is a resident of a continuing care retirement community pursuant to a contract for continuing care for the life of that person which requires the resident to bear a share of the property taxes that are assessed upon the continuing care retirement community, if a share is attributable to the unit that the resident occupies;

b. a unit in a cooperative or mutual housing corporation which constitutes the place of domicile of a residential shareholder or lessee therein, or of a lessee, or shareholder who is not a residential shareholder therein, and which is used by the claimant as the claimant's principal residence; and

c. a unit of residential rental property which unit constitutes the place of the claimant's domicile and is used by the claimant as the claimant's principal residence;

"Horizontal property regime" means the form of real property ownership provided for under the "Horizontal Property Act," P.L.1963, c.168 (C.46:8A-1 et seq.);

"Gross income" means all New Jersey gross income required to be reported pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., other than income excludable from the gross income tax return, but before reduction thereof by any applicable exemptions, deductions and credits, received during the taxable year by the owner or residential shareholder in, or lessee of, a homestead;

"Manufactured home" or "mobile home" means a unit of housing which:

(1) Consists of one or more transportable sections which are substantially constructed off site and, if more than one section, are joined together on site;

(2) Is built on a permanent chassis;

(3) Is designed to be used, when connected to utilities, as a dwelling on a permanent or nonpermanent foundation; and

(4) Is manufactured in accordance with the standards promulgated for a manufactured home by the Secretary of the United States Department of Housing and Urban Development pursuant to the "National Manufactured Housing Construction and Safety Standards Act of 1974," Pub.L.93-383 (42 U.S.C. s.5401 et seq.) and the standards promulgated for a manufactured or mobile home by the commissioner pursuant to the "State Uniform Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.);

"Mobile home park" means a parcel of land, or two or more parcels of land, containing no fewer than 10 sites equipped for the installation of manufactured or mobile homes, where these sites are under common ownership and control for the purpose of leasing each site to the owner of a manufactured or mobile home for the installation thereof, and where the owner or owners provide services, which are provided by the municipality in which the park is located for property owners outside the park, which services may include but shall not be limited to:

(1) The construction and maintenance of streets;

(2) Lighting of streets and other common areas;

(3) Garbage removal;

(4) Snow removal; and

(5) Provisions for the drainage of surface water from home sites and common areas;

"Mutual housing corporation" means a corporation not-for-profit, incorporated under the laws of this State on a mutual or cooperative basis within the scope of section 607 of the Lanham Act (National Defense Housing), Pub.L.849, 76th Congress (42 U.S.C. s.1521 et seq.), as amended, which acquired a National Defense Housing Project pursuant to that act;

"Principal residence" means a homestead actually and continually occupied by a claimant as the claimant's permanent residence, as distinguished from a vacation home, property owned and rented or offered for rent by the claimant, and other secondary real property holdings;

"Property tax" means payments to a municipality based upon an assessment made by the municipality upon real property on an ad valorem basis on land and improvements, but shall not include payments made in lieu of taxes;

"Rent" means the amount due in an arm's-length transaction solely for the right of occupancy of a homestead that is a unit of residential rental property. Rent shall not include any amount paid under the federal Housing Choice Voucher (Section 8) Program or paid as a rental assistance grant under section 1 of P.L.2004, c.140 (C.52:27D-287.1). If the director finds that the parties in a rental transaction have not dealt with each other in an arm's-length transaction and that the rent due was excessive, the director may, for purposes of the homestead rebate claim, adjust the rent claimed in the homestead rebate application to a reasonable amount of rent;

"Rent constituting property taxes" means 18% of the rent paid by the homestead rebate claimant during the tax year on a unit of residential rental property which constitutes the claimant's homestead, and in the case of a manufactured home or mobile home in a mobile home park which constitutes the claimant's homestead means 18% of the site fee paid by the claimant during the tax year to the owner of the mobile home park. Provided however, that for tax year 2004 and for each tax year thereafter, rent constituting property taxes shall equal

18% of annualized rent, and in the case of a manufactured home or mobile home in a mobile home park rent constituting property taxes shall equal 18% of a similarly annualized site fee;

"Resident" means an individual:

a. who is domiciled in this State, unless he maintains no permanent place of abode in this State, maintains a permanent place of abode elsewhere, and spends in the aggregate no more than 30 days of the tax year in this State; or

b. who is not domiciled in this State but maintains a permanent place of abode in this State and spends in the aggregate more than 183 days of the tax year in this State, unless the individual is in the Armed Forces of the United States;

"Residential rental property" means:

a. any building or structure or complex of buildings or structures in which dwelling units are rented or leased or offered for rental or lease for residential purposes;

b. a rooming house, hotel or motel, if the rooms constituting the homestead are equipped with kitchen and bathroom facilities;

c. any building or structure or complex of buildings or structures constructed under the following sections of the National Housing Act (Pub.L.73-479) as amended and supplemented: section 202, Housing Act of 1959 (Pub.L.86-372) and as subsequently amended, section 231, Housing Act of 1959; and

d. a site in a mobile home park equipped for the installation of manufactured or mobile homes, where these sites are under common ownership and control for the purpose of leasing each site to the owner of a manufactured or mobile home for the installation thereof;

"Residential shareholder in a cooperative or mutual housing corporation" means a tenant or holder of a membership interest in that cooperative or corporation, whose residential unit therein constitutes the tenant or holder's domicile and principal residence, and who may deduct real property taxes for purposes of federal income tax pursuant to section 216 of the federal Internal Revenue Code of 1986, 26 U.S.C. s.216; and

"Tax year" means the calendar year in which property taxes are due and payable.

22. Section 3 of P.L.1999, c.63 (C.54:4-8.58a) is amended to read as follows:

C.54:4-8.58a Homestead rebate determination in tax years 2003 to 2005; rebates or credits for tax year 2006 and after.

3. a. For tax year 2003, the director shall determine the amount of the homestead rebate that shall be paid to each claimant pursuant to P.L.1990, c.61 (C.54:4-8.57 et al.), and P.L.1999, c.63 (C.54:4-8.58a et al.), as amended by P.L.2004, c.40, based upon the information provided by the individual applicant in the application for either a NJ SAVER rebate or for a homestead rebate, or from any other information as may be available to the director in order that each individual applicant shall be paid the homestead rebate that may be allowed to the claimant pursuant to sections 3 through 5 of P.L.1990, c.61 (C.54:4-8.59 through 54:4-8.61), as the director determines is appropriate.

b. (1) For tax year 2003, a resident of this State who has paid property taxes for the tax year on a homestead that is owned as such, who has filed an application for an NJ SAVER rebate pursuant to the provisions of P.L.1999, c.63 (C.54:4-8.58a et al.), or pursuant to that act as amended and supplemented by P.L.2004, c.40, and who meets the prerequisites for an NJ SAVER rebate at 12:01 A.M. on October 1, 2003 for that tax year, shall be considered to have applied for a homestead rebate and shall be allowed a homestead rebate instead of an NJ SAVER rebate for that tax year pursuant to P.L.1990, c.61 (C.54:4-8.57 et al.), and P.L.1999, c.63 (C.54:4-8.58a et al.), as amended by P.L.2004, c.40. An application for an NJ

SAVER rebate shall be allowed as a homestead rebate for a homestead the title to which is held by a partnership, to the extent of the applicant's interest as a partner therein, and by a guardian, trustee, committee, conservator or other fiduciary for any individual who would otherwise be eligible for an NJ SAVER rebate. An application for an NJ SAVER rebate shall not be allowed for a homestead, the title to which is held partially or entirely by a corporate entity of any type, except as otherwise specifically allowed for applications from residents of properties owned by continuing care retirement community, cooperative or mutual housing corporations.

(2) For tax year 2004 and tax year 2005, any rebates applied for and paid pursuant to P.L.1990, c.61 (C.54:4-8.57 et al.), and P.L.1999, c.63 (C.54:4-8.58a et al.), as amended and supplemented by P.L.2004, c.40, shall be homestead rebates.

(3) For tax year 2006 and for tax years thereafter, any homestead benefit applied for and provided pursuant to this act shall be a rebate or credit, as annually determined by the Director of the Division of Taxation.

23. Section 3 of P.L.1990, c.61 (C.54:4-8.59) is amended to read as follows:

C.54:4-8.59 Homestead rebate or credit, amount; eligibility; determination.

3. a. A resident of this State shall be allowed a homestead rebate or credit for the tax year equal to the amount determined as a percentage of property taxes not in excess of \$10,000 paid by the claimant in that tax year on the claimant's homestead, rounded to the nearest whole dollar, as follows:

For Resident Taxpayer With Tax Year Gross Income:	Percentage:
not over \$100,000.....	20%
over \$100,000 but not over \$150,000.....	15%
over \$150,000 but not over \$250,000.....	10%

b. (1) A resident who is 65 years of age or older at the close of the tax year, or who is allowed to claim a personal deduction as a blind or disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1, shall be allowed a homestead rebate or credit for the tax year equal to the greater of (a) the amount determined pursuant to subsection a. of this section or (b) the amount equal to an amount by which property taxes paid by the claimant in that tax year on the claimant's homestead exceed 5% of the claimant's gross income, rounded to the nearest whole dollar, but within the appropriate range, but not more than the amount of property taxes actually paid, as follows:

With Tax Year Gross Income:	Range:
not over \$70,000.....	\$1,200 to \$1,000
over \$70,000 but not over \$125,000.....	\$800 to \$600
over \$125,000 but not over \$200,000.....	\$500

(2) Notwithstanding any provision of this act to the contrary, a homestead rebate or credit shall be allowed pursuant to this section in relation to the amount of the property taxes actually paid during the tax year for the homestead owned and occupied as such at 12:01 a.m. on October 1 of the tax year, whether paid for the entire tax year by the claimant or by any pre-October 1 owner or owners of that homestead during that tax year.

c. (1) If title to a homestead is held by more than one individual as joint tenants or tenants in common, each individual shall be allowed a homestead rebate or credit pursuant to this section only in relation to the individual's proportionate share of the property taxes assessed and levied against the homestead. The individual's proportionate share of the property taxes on that homestead shall be equal to the share of that individual's interest in the title. Title shall be presumed to be held in equal shares among all co-owners, but if the claimant satisfactorily demonstrates to the director that the title provides for unequal interests, either under the conveyance under which the title is held, or as otherwise may be demonstrated, that claimant's share of the property taxes paid on that homestead shall be in proportion to the claimant's interest in the title.

(2) Eligible claimants shall include individuals within any of the filing categories set forth in N.J.S.54A:2-1 and any individual or individuals not required to file a gross income tax return because their gross income was below the minimum taxable income threshold established in N.J.S.54A:2-4 and N.J.S.54A:8-3.1. In the case of a married individual filing a separate New Jersey gross income tax return, if the spouse of the claimant maintains the same homestead as the claimant and also files a separate gross income tax return in this State the homestead rebate or credit claimed under this subsection shall be equal to one-half of the amount of the homestead rebate or credit allowable had the spouses filed a joint return and homestead rebate or credit application.

(3) An application for a homestead rebate or credit shall be allowed for a homestead the title to which is held by a partnership, to the extent of the applicant's interest as a partner therein, and by a guardian, trustee, committee, conservator or other fiduciary for any individual who would otherwise be eligible for a rebate or credit. An application for a homestead rebate or credit shall not be allowed for a homestead, the title to which is held partially or entirely by a corporate entity of any type, except as otherwise specifically allowed for an application from a resident of a property owned by a continuing care retirement community, or a cooperative or mutual housing corporation.

d. If the homestead of a claimant is a residential property consisting of more than one unit, that claimant shall be allowed a homestead rebate or credit pursuant to this section only in relation to the proportionate share of the property taxes assessed and levied against the residential unit occupied by that claimant, as determined by the local tax assessor.

e. Nothing in this section shall preclude a co-owner, who is other than a husband or wife claiming a homestead rebate or credit on the same homestead, from receiving a homestead rebate or credit determined pursuant to this section if another co-owner claims a homestead rebate or credit pursuant to this section, provided however, that each claim for a homestead rebate or credit determined pursuant to this section shall be separately subject to the provisions of subsections c. and d. of this section.

f. (Deleted by amendment, P.L.2004, c.40.)

g. (Deleted by amendment, P.L.2004, c.40.)

h. (Deleted by amendment, P.L.2007, c.62.)

24. Section 6 of P.L.1990, c.61 (C.54:4-8.62) is amended to read as follows:

C.54:4-8.62 Rebate, credit applications.

6. a. No homestead rebate or credit shall be allowed pursuant to this act except upon annual application therefor, in any manner, upon any form, and in any format, whether in writing or otherwise, as shall be prescribed by the director. The director may require a claimant for a homestead rebate or credit to attach to the homestead rebate or credit application a copy of the appropriate property tax bill or proof of rent paid for the prior tax year. The director may require such other verification of eligibility for a homestead rebate or credit as the director may deem necessary. The director may require that the application for a homestead rebate for a unit of residential rental property authorized pursuant to section 4 of P.L.1990, c.61 (C.54:4-8.60) shall be submitted (1) as part of the claimant's gross income tax return filed pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., or, (2) on any other form, in any manner or format and at any time and prior to any date as the director shall prescribe if (a) the claimant is not required to file a gross income tax return or (b) the claimant has filed an application for extension of time to file the claimant's gross income tax return. The director may require that the application for a homestead rebate or credit authorized pursuant to section 3 of P.L.1990, c.61 (C.54:4-8.59) shall be submitted (1) as part of the applicant's gross income tax return filed pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., or (2) on any other form, in any other format and at any time and prior to any date as the director shall prescribe. The director shall, for good cause shown, extend the time of any applicant to file a claim for a homestead rebate or credit for a reasonable period, and in such case, the application shall be processed and payment of a homestead rebate or credit made in accordance with the procedures established in the case of applications timely filed, except the date for payment of the rebate or credit may be delayed for a reasonable period. If an applicant or an applicant's spouse has filed an application for an extension of time to file a gross income tax return, the date by which the applicant shall file the homestead rebate or credit application may, in the discretion of the director, be extended for a reasonable period, and the date for the payment of the rebate or credit may be delayed for a reasonable period. The director may require sworn applications. In the event that the director waives the requirement of sworn applications, all declarations by claimants shall be considered as if made under oath and claimants, as to false declarations, shall be subject to the penalties as provided by law for perjury.

For the purposes of this subsection, in order to establish good cause to extend the time of any applicant to file a claim for a homestead rebate or credit the applicant shall provide to the director either medical evidence, such as a doctor's certification, that the claimant was unable to file the claim by the date prescribed by the director because of illness or hospitalization, or evidence that the applicant attempted to file a timely application. Except as may be established by medical evidence of inability to file a claim, good cause shall not be established due to a claimant not having received an application from the director.

b. Upon approval of homestead rebate or credit applications by the director, the director shall prepare lists of individuals entitled to a rebate or credit, together with the respective amounts due each claimant and shall forward such lists to the State Treasurer, the Director of the Division of Budget and Accounting and any other officials as the director deems appropriate on or before the earliest of such date or dates as may be convenient for the director to compile such lists. The director may inspect all records in the offices of the tax collector and tax assessor of a municipality with respect to applications, claims and allowances for homestead rebates or credits.

c. If a homestead rebate application contains a claim for a rebate or credit that is incorrectly determined by the claimant or is based upon incorrect or insufficient information

from which the director is to approve the claim, the director may determine the eligibility of the claimant for a homestead rebate or credit and the correct amount of a homestead rebate or credit to be paid to that claimant from such other information as may be available to the director. In addition, the director may adjust the amount of any homestead rebate or credit to which a claimant may be entitled by any part of the amount of any previous homestead rebate or credit erroneously claimed by and paid to that claimant.

d. In the case of a claimant for a homestead rebate whose homestead is a unit in a cooperative, mutual housing corporation or continuing care retirement community, the director may provide that the application shall include the name and address of the location of the property and the amount of real property taxes attributed to the cooperative, mutual housing residential unit or continuing care retirement community residential unit, as shall be indicated in an official notice which shall be furnished by the cooperative, mutual housing corporation or continuing care retirement community for the same year.

e. A homestead rebate or credit shall be allowed pursuant to this act for a claimant whose ownership of an interest in a homestead is satisfied by the holding of the beneficial interest if legal title thereto or share therein is held by another for the benefit of the claimant.

f. All provisions of this section shall apply to NJ SAVER rebate applications filed for and paid as homestead rebates for tax year 2003.

g. The director may, in writing, require the owner of residential rental property upon which property tax is not assessed, and the owner's agents and representatives, to provide the names of residents and tenants on the residential rental property and such other information, in such form, as the director deems reasonable to ensure that no claimant claiming a unit of that residential rental property as a homestead under this act receives a homestead rebate for which the claimant is not eligible. Any individual or entity failing to provide the required information within 60 days of the written request of the director shall be liable, in the discretion of the director, to a penalty of up to \$500 for each month that the required information is not provided, unless it is shown that such failure is due to reasonable cause and not to willful neglect.

25. Section 7 of P.L.1990, c.61 (C.54:4-8.63) is amended to read as follows:

C.54:4-8.63 Rebates, credits, distribution, payment.

7. a. The State Treasurer annually on or before October 31, upon certification of the director and upon warrant of the Director of the Division of Budget and Accounting, shall pay and distribute the amount of a homestead rebate payable under this act that is claimed for the prior tax year to each claimant whose rebate is approved by the director.

b. A homestead credit allowed by the Director of the Division of Taxation to a claimant who claimed a homestead credit pursuant to section 3 of P.L.1990, c.61 (C.54:4-8.59), and whose homestead is not a unit in a cooperative, mutual housing corporation or continuing care retirement community, shall be paid by the State Treasurer, through electronic funds transfer made by the director to the local property tax account maintained by the local tax collector for the homestead of the claimant as the claimant shall identify, in equal installments after the application for the credit has been approved, at the dates and in the manner as the director shall determine to best coincide with the next local property tax quarterly due dates of August 1 and November 1. Notice of payments of credit installments shall be provided to the claimant and the appropriate local tax collector.

c. Notwithstanding subsection b. of this section, the director shall provide a homestead benefit under this act as a credit only if the director can ensure that the benefit will be

applied to the appropriate taxpayer. Otherwise, the director may remit a homestead benefit to an eligible taxpayer as a rebate.

d. Notwithstanding subsection b. of this section, a resident homeowner of this State who is 65 years of age or older at the close of the tax year or who is allowed to claim a personal deduction as a blind or disabled taxpayer pursuant to subsection b. of N.J.S.54A:3-1, shall receive the credit in the form of a rebate payment in calendar year 2007, but will receive credits in future years starting in calendar year 2008, unless the claimant elects in the claimant's homestead credit application to receive a rebate.

e. Notwithstanding subsection b. of this section, if the director determines that homestead benefits for a particular tax year cannot be administered and delivered as credits efficiently, the director may remit homestead benefits for that year as rebates.

26. Section 8 of P.L.1990, c.61 (C.54:4-8.64) is amended to read as follows:

C.54:4-8.64 Property tax delinquency; withholding of rebates, credits.

8. a. The tax collector of each municipality shall, on or before April 1 of each year, furnish the director with a list of property taxpayers in the district delinquent for taxes due and payable for the year immediately preceding and the amounts of such delinquencies. The collector shall report on such list the name, lot and block number on the property tax duplicate as may be applicable, and the address of each owner to whom a delinquency is attributable together with the amount of such delinquency so identified. No homestead rebate payment under this act shall be made to a property owner, and no homestead credit shall be applied as provided in subsection b. of section 7 of P.L.1990, c.61 (C.54:4-8.63), while that property owner's delinquency remains; provided however that for the purposes of this act, for an assessment on a property which is on appeal and for which the statutory percentage of the tax as provided in R.S.54:3-27 has been paid, the taxes assessed on that property shall not be regarded as delinquent.

b. If the director receives the list as provided for in subsection a. of this section, and the director determines that a property tax delinquency remains for the preceding tax year on April 1, the director shall ascertain the amount of the homestead rebate or credit required to be withheld because of such delinquency in each municipality in the State, and shall certify such amounts to the State Treasurer as soon thereafter as may be practicable.

c. On or before November 15, the director shall notify each homestead rebate or credit claimant whose rebate or credit has been withheld because of delinquency that the amount of the rebate or credit to which the claimant otherwise would have been entitled has been sent to the tax collector in the municipality to be credited against the claimant's delinquency.

d. Upon certification by the director as to the amount of homestead rebates or credits required to be withheld because of delinquency in the several municipalities, the State Treasurer upon the warrant of the Director of the Division of Budget and Accounting, shall pay such amount on or before October 30 to the tax collector in each municipality.

e. The tax collector in each municipality shall credit the tax delinquency of each property taxpayer who appears on the delinquency list set forth in subsection a. of this section in the amount that otherwise would have been returned to the property taxpayer as a homestead rebate or credit. In the event that the amount so credited by the tax collector exceeds the amount of delinquency, the tax collector may return the difference to the taxpayer or credit such amount to the subsequent property tax bill.

f. In the case of delinquency in the payment of property taxes by a cooperative, mutual housing corporation or continuing care retirement community, a homestead rebate that may

be due an individual resident shall be paid by the State Treasurer to the tax collector of the municipality. The tax collector shall credit the cooperative, mutual housing corporation or continuing care retirement community with such payment and the cooperative, mutual housing corporation or continuing care retirement community shall, in turn, credit the individual unit owner to the extent of the rebate and notify the applicant of the amount to be credited.

g. If a tax collector fails to comply with the provisions of subsection a. of this section requiring the tax collector to furnish the director with a list, on or before April 1 of each year, of property taxpayers in the district delinquent for taxes due and payable for the year immediately preceding and the amounts of such delinquencies, the director shall either pay the homestead rebate directly to the delinquent applicant rather than to the tax collector of the municipality as set forth in subsection d. of this section or provide a credit for the applicant under this act.

h. All provisions of this section shall apply to NJ SAVER rebate applications filed for and paid as homestead rebates for tax year 2003.

27. Section 9 of P.L.1990, c.61 (C.54:4-8.65) is amended to read as follows:

C.54:4-8.65 Rebates, credits not subject to legal process; exceptions.

9. The homestead rebates and credits authorized under this act shall not be subject to garnishment, attachment, execution or other legal process, except as provided in section 1 of P.L.1981, c.239 (C.54A:9-8.1), or except for an income withholding order issued pursuant to P.L.1981, c.417 (C.2A:17-56.8 et al.), nor shall the payment thereof be anticipated.

28. Section 10 of P.L.1990, c.61 (C.54:4-8.66) is amended to read as follows:

C.54:4-8.66 Appeal to tax court from director's determination of amount.

10. a. (1) The director shall determine the amount of the rebate or credit, if any, that shall be provided for each claimant pursuant to P.L.1990, c.61 (C.54:4-8.57 et al.) based upon the information provided by the individual applicant in the application or from any other information as may be available to the director and shall notify the applicant of the determined amount in the form of the homestead rebate check or credit or in any other manner as the director may deem appropriate. Subject to the provisions of the State Uniform Tax Procedure Law, R.S.54:48-1 et seq., such notification shall finally and irrevocably fix the amount of the rebate or credit unless the applicant, within 90 days after having been given notice of such determination, shall apply to the director for a hearing, or unless the director shall redetermine the same. After such hearing the director shall give notice of the final determination to the applicant.

(2) An applicant for a homestead rebate or credit authorized under this act who is aggrieved by any decision, order, finding, or denial by the director of all or part of that applicant's homestead rebate or credit may appeal therefrom to the New Jersey Tax Court in accordance with the provisions of the State Uniform Tax Procedure Law, R.S. 54-48-1 et seq.

b. The appeal provided by this section shall be the exclusive remedy available to an applicant for review of a decision of the director in respect to the determination of all or part of a homestead rebate or credit authorized under this act.

29. Section 14 of P.L.1999, c.63 (C.54:4-8.66a) is amended to read as follows:

C.54:4-8.66a Misrepresentation, penalty.

14. Any individual who receives a homestead rebate or credit otherwise authorized under this act but as a result of an intentional misrepresentation of a material fact shall be required to repay to the director the amount of the homestead rebate or credit and shall be liable to a penalty equal to 150% of the amount of the homestead rebate or credit paid as a result of that misrepresentation.

30. Section 15 of P.L.1999, c.63 (C.54:4-8.66b) is amended to read as follows:

C.54:4-8.66b Erroneous rebates or credits.

15. Any person who receives a homestead rebate or credit otherwise authorized under this act but which has been paid in error and which is recoverable by the director, and fails to return the payment within 45 days of receiving notice from the director that such payment was erroneous, shall pay, in addition to the amount of the erroneous rebate or credit, interest at the rate prescribed in R.S.54:49-3, assessed for each month or fraction thereof, compounded annually at the end of each year, from the date next following the 45th day after receiving the notice from the director that such payment was erroneous until the date of the return of the erroneous payment.

31. Section 16 of P.L.1999, c.63 (C.54:4-8.66c) is amended to read as follows:

C.54:4-8.66c Recovery of erroneous or misrepresented rebates or credits, procedures.

16. A homestead rebate or credit paid as a result of misrepresentation or paid in error and any penalties and interest as imposed thereon by this act, shall be payable to and recoverable by the director in the same manner as a deficiency with respect to the payment of a State tax in accordance with the State Uniform Tax Procedure Law, R.S.54:48-1 et seq.

32. Section 6 of P.L.1997, c.348 (C.54:4-8.73) is amended to read as follows:

C.54:4-8.73 Rules, regulations.

6. Pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), the director shall promulgate such rules and regulations and prescribe such forms as the director shall deem necessary to implement this act. The director shall also promulgate rules and regulations to implement an appeals process for aggrieved persons to use if eligibility for a homestead property tax reimbursement rebate or credit is denied.

33. R.S.54:4-64 is amended to read as follows:

Delivery of tax bills.

54:4-64. a. (1) As soon as the tax duplicate is delivered to the collector of the taxing district, as provided in R.S.54:4-55, he shall at once begin the work of preparing, completing, mailing or otherwise delivering tax bills to the individuals assessed. He shall also prepare and mail, or otherwise deliver to the individuals assessed, a tax bill for such following first and second installments, computed as provided in R.S.54:4-66 or section 2 of P.L.1994, c.72 (C.54:4-66.1), as appropriate.

(2) When any individual assessed has authorized the collector to mail or otherwise deliver his tax bill to a mortgagee or any other agent, the collector shall, at the same time, mail or otherwise deliver a duplicate tax bill to the individual assessed and shall print across

the face of such duplicate tax bill the following inscription: "This is not a bill -- for advice only."

(3) The validity of any tax or assessment, or the time at which it shall be payable, shall not be affected by the failure of a taxpayer to receive a tax bill, but every taxpayer is put on notice to ascertain from the proper official of the taxing district the amount which may be due for taxes or assessments against him or his property.

(4) Notwithstanding the provisions of any law to the contrary, the third installment of current year taxes shall not be subject to interest until the later of August 1, the additional interest-free period authorized pursuant to R.S.54:4-67, or the twenty-fifth calendar day after the date that the tax bill for the third installment was mailed or otherwise delivered. Any payment received after the later of August 1, the additional interest-free period authorized pursuant to R.S.54:4-67, or the twenty-fifth calendar day after the date that the tax bill for the third installment was mailed or otherwise delivered may be charged interest back to August 1. The tax bill shall contain a notice specifying the date on which interest may begin to accrue.

b. As provided in subsection a. of this section, a mortgagor as the individual assessed for property taxes or other municipal charges with respect to the property securing a mortgage loan, may authorize the tax collector to mail or otherwise deliver his tax bill to a mortgagee or servicing organization. This tax authorization form shall be assignable in the event the mortgagee or servicing organization sells, assigns or transfers the servicing of the mortgage loan to another mortgagee or servicing organization.

c. The tax collector of the taxing district shall, upon receipt of a written request from a mortgagee or servicing organization on a form approved by the commissioner, mail or otherwise deliver a mortgagor's tax bill to a property tax processing organization. The commissioner shall provide by regulation for a procedure by which the tax collector of a taxing district may request the Director of the Division of Local Government Services in the Department of Community Affairs to review the appropriateness of the request to mail or otherwise deliver a mortgagor's tax bill to a property tax processing organization.

d. If a mortgagee, servicing organization, or property tax processing organization requests a duplicate copy of a tax bill, the tax collector of a taxing district shall issue a duplicate copy and may charge a maximum of \$5 for the first duplicate copy and a maximum of \$25 for each subsequent duplicate copy of the same tax bill in the same fiscal year, the actual charge being set by municipal ordinance. The commissioner shall promulgate regulations to effectuate the provisions of this subsection d. which regulations shall include a procedure by which a mortgagee, servicing organization, or property tax processing organization may appeal and be reimbursed for the amount it has paid for a duplicate copy of a tax bill, or any part thereof.

e. As used in subsections a., b., c., and d. of this section, "mortgagee," "mortgagor," "mortgage loan," "servicing organization" and "property tax processing organization" shall have the same meaning as the terms have pursuant to section 1 of P.L.1990, c.69 (C.17:16F-15).

34. R.S.54:4-65 is amended to read as follows:

Form and content of property tax bills.

54:4-65. a. The Director of the Division of Local Government Services in the Department of Community Affairs shall approve the form and content of property tax bills.

b. (1) Each tax bill shall have printed thereon a brief tabulation showing the distribution of the amount raised by taxation in the taxing district, in such form as to disclose the rate per \$100.00 of assessed valuation or the number of cents in each dollar paid by the taxpayer which is to be used for the payment of State school taxes, other State taxes, county taxes, local school expenditures and other local expenditures. The last named item may be further subdivided so as to show the amount for each of the several departments of the municipal government. In lieu of printing such information on the tax bill, any municipality may furnish the tabulation required hereunder and any other pertinent information in a statement accompanying the mailing or delivery of the tax bill.

(2) When a parcel receives a homestead property tax credit pursuant to the provisions of P.L.2007, c.62 (C.18A:7F-37 et al.), the amount of the credit shall be included with the tax calculation as a reduction in the total tax calculation for the year. One-half of the amount of the credit shall be deducted from taxes otherwise due for the third installment and the remaining one-half shall be deducted from taxes otherwise due for the fourth installment.

(3) There shall be included on or with the tax bill the delinquent interest rate or rates to be charged and any end of year penalty that is authorized and any other such information that the director may require from time to time.

c. The tax bill shall also include a calculation stating the amounts of State aid and assistance received by the municipality, school districts, special districts and county governments that offset property taxes that are otherwise due on each parcel. The director shall certify to each tax collector the amounts of said State aid and assistance that shall serve as the basis for the calculation for each parcel. The director shall set standards for the calculation and display of the statement on the tax bill.

d. The tax bill or form mailed with the tax bill shall include thereon the date upon which each installment is due.

e. If a property tax bill includes in its calculation a homestead property tax credit, the bill shall, in addition to the calculation showing taxes due, either display a notice concerning the credit on the face of the property tax bill or with a separate notice, with the content and wording as the director provides.

35. Section 3 of P.L.1994, c.72 (C.54:4-66.2) is amended to read as follows:

C.54:4-66.2 Estimated, reconciled tax bills for municipalities, procedures.

3. a. Notwithstanding any provision of law, rule or regulation to the contrary, whenever a municipal governing body determines that the municipal tax collector will be unable to complete the mailing or delivery of tax bills in a municipality operating under a calendar fiscal year by June 14 or in a municipality operating under the State fiscal year by June 14 or December 1, as appropriate, because the county board of taxation has not certified a tax levy, or for any other reason, subject to regulations promulgated by the Local Finance Board, the governing body may direct, by resolution, the collector to prepare, complete, mail or otherwise deliver as soon as practicable to each individual assessed, or as provided in R.S.54:4-64 to the individual's mortgagee or servicing organization, estimated and reconciled tax bills in accordance with the procedures set forth in section 4 or 5, as appropriate, of P.L.1994, c.72 (C.54:4-66.3 or C.54:4-66.4).

b. Except as otherwise provided for by this section, an estimated tax bill and a reconciled tax bill issued pursuant to subsection a. of this section shall be considered the same as a regular tax bill with regard to other laws governing tax bills.

c. An estimated tax bill issued pursuant to this section may be used by a mortgagee or servicing organization in calculating the anticipated disbursements from mortgage escrow accounts as provided in section 6 of P.L.1990, c.69 (C.17:16F-20).

d. Notwithstanding anything in Title 54 of the Revised Statutes to the contrary, a municipality shall not issue more than four quarterly installment tax bills, whether estimated or final, during any calendar year. This subsection shall not apply to bills for added or omitted assessments.

e. The provisions of this section and sections 4 and 5 of P.L.1994, c.72 (C.54:4-66.3 and C.54:4-66.4) related to third installment tax bills shall not be operative in years when homestead property tax credits are provided through the property tax billing process. In such years, the director shall notify municipal officials of the suspension of this provision and that no estimated tax bills shall be printed or otherwise issued.

36. R.S.54:4-74 is amended to read as follows:

Payment of State and county taxes by municipality.

54:4-74. The governing body of each municipality shall cause to be paid to the treasurer of the county, in four installments, the amount of county taxes required to be assessed and raised in such municipality, on the fifteenth day of the month in which each installment of taxes shall become payable, except, that in those years when the third installment has been determined by the tax collector to be due after August 10, the installment shall be due no later than five days after the twenty-fifth day from when the tax bill was mailed or otherwise delivered pursuant to subsection a. of R.S.54:4-64, but no later than September 15. The amount to be payable as each of the first two installments shall be one-quarter of the total tax finally levied against the municipality for the preceding year, and the amount to be payable for the third and fourth installments shall be the full tax as levied for the current year, less the amount charged as the first and second installments. The amount thus found to be payable as the last two installments shall be divided equally for and as each installment. The governing body of each municipality shall cause to be paid to the county treasurer on December fifteenth of each year all of the taxes required to be assessed and raised by taxation in such taxing district for state school and other State purposes.

37. R.S.54:4-75 is amended to read as follows:

Payment by municipality of school moneys to custodian.

54:4-75. The governing body of each municipality shall pay over to the custodian of school moneys, in the case of school districts in which appropriations for school purposes are made by the inhabitants of the school district, within forty days after the beginning of the school year, twenty per centum (20%) of the appropriation for local school purposes, and thereafter, but prior to the last day of the school year, the balance of the moneys raised in the municipality for school purposes in such amounts as may from time to time be requested by the Board of Education, within thirty days after each request. The Board of Education shall not request any more money at any one time than shall be required for its expenditures for a period of eight weeks in advance; provided, however, that the Board of Education may at any time, but not earlier than fifteen days prior to the beginning of the school year, request sufficient moneys to meet all interest and debt redemption charges maturing during the first forty days of the school year. The governing body may make payments of such moneys in advance of the time and in excess of the amounts required by this section. Notwithstanding

provisions of this section to the contrary, in those years when the third installment of property taxes has been determined by the tax collector to be due after August 10, the installment shall be due no later than five days after the twenty-fifth day from when the tax bill was mailed or otherwise delivered pursuant to subsection a. of R.S.54:4-64, but no later than September 1.

38. Section 1 of P.L.1981, c.239 (C.54A:9-8.1) is amended to read as follows:

C.54A:9-8.1 Setoff of indebtedness to State agencies; precedence of child support indebtedness.

1. a. Whenever any taxpayer or resident shall be entitled to any refund of taxes pursuant to the "New Jersey Gross Income Tax Act" (N.J.S.54A:1-1 et seq.), including an earned income tax credit provided as a refund pursuant to P.L.2000, c.80 (C.54A:4-6 et al.), or whenever any individual is eligible to receive a homestead rebate or credit pursuant to P.L.1990, c.61 (C.54:4-8.57 et al.), P.L.1999, c.63 (C.54:4-8.58a et al.), P.L.2004, c.40 or P.L.2007, c.62 (C.18A:7F-37 et al.), and if the rebate or credit is not required to be paid over to the municipal tax collector under the provisions of section 8 of P.L.1990, c.61 (C.54:4-8.64), and at the same time the taxpayer or resident shall be indebted to any agency or institution of State Government, to the Victims of Crime Compensation Board for the portion of an assessment ordered pursuant to N.J.S.2C:43-3.1 for deposit in the Victims of Crime Compensation Board Account or restitution ordered to be paid to the board pursuant to N.J.S.2C:44-2 for deposit in the Victims of Crime Compensation Board Account, or for child support under Title IV-A, Title IV-D, or Title IV-E of the federal Social Security Act (42 U.S.C. s.601 et seq.), or other indebtedness in accordance with section 1 of P.L.1995, c.290 (C.2A:17-56.11b) the Department of the Treasury shall apply or cause to be applied the refund, homestead rebate or credit, or all, or so much of any or all as shall be necessary, to satisfy the indebtedness. Child support indebtedness shall take precedence over all other indebtedness. The Department of the Treasury shall retain a percentage of the proceeds of any collection setoff as shall be necessary to provide for any expenses of the collection effort.

b. A State department or agency which is owed a debt shall notify the Department of the Treasury of the existence of the debt and shall request that the Department of the Treasury execute a setoff as provided for in this section.

39. Section 2 of P.L.1981, c.239 (C.54A:9-8.2) is amended to read as follows:

C.54A:9-8.2 Regulations for procedures and methods.

2. The Department of the Treasury shall promulgate regulations concerning the procedures and methods to be employed by all agencies and institutions in the executive branch in the collection or the setting off of delinquent accounts. The regulations shall be consistent with all federal requirements or limitations regarding any information utilized in any collection or setoff, and shall in addition provide for due notice to the debtor and opportunity for a hearing upon request prior to any setoff; safeguards against the disclosure or inappropriate use of any personally identifiable information regarding the debtor obtained or maintained pursuant to this act; and the appropriate apportionment of any setoff in the case of a debtor's joint filing of a joint income tax return or homestead rebate or credit application.

40. For the fiscal year beginning July 1, 2007, the sum that shall be appropriated for homestead property tax rebates for residential tenants shall be not less than twice the amount appropriated for the same purpose in the prior fiscal year and shall be allocated in a manner prescribed by law.

41. N.J.S.2B:20-2 is amended to read as follows:

Preparation of juror source list.

2B:20-2. a. The names of persons eligible for jury service shall be selected from a single juror source list of county residents whose names and addresses shall be obtained from a merger of the following lists: registered voters, licensed drivers, filers of State gross income tax returns and filers of homestead rebate or credit application forms. The county election board, the Division of Motor Vehicles and the State Division of Taxation shall provide these lists annually to the Assignment Judge of the county. The Assignment Judge may provide for the merger of additional lists of persons eligible for jury service that may contribute to the breadth of the juror source list. Merger of the lists of eligible jurors into a single juror source list shall include a reasonable attempt to eliminate duplication of names.

b. The juror source list shall be compiled once a year or more often as directed by the Assignment Judge.

c. The juror source list may be expanded by the Supreme Court as it deems appropriate.

42. Section 7 of P.L.1964, c.125 (C.52:14-17.38) is amended to read as follows:

C.52:14-17.38 Certification of premium rates, charges; Medicare premiums; employer obligations.

7. a. The Division of Pensions and Benefits shall certify to the certifying agent of each employer electing participation under the program the premium rates and periodic charges applicable to the coverage provided for employees and dependents. The participating employer shall remit to the division all contributions to premiums and periodic charges in advance of their due dates, subject to the rules and regulations of the commission.

Notwithstanding the provisions of any other law to the contrary, the obligations of a participating employer other than the State to pay the premium or periodic charges for health benefits coverage provided under P.L.1961, c.49 (C.52:14-17.25 et seq.) may be determined by means of a binding collective negotiations agreement. With respect to employees for whom there is no majority representative for collective negotiations purposes, the employer may, in its sole discretion, modify the respective payment obligations set forth in law for the employer and such employees in a manner consistent with the terms of any collective negotiations agreement binding on the employer.

b. (1) From funds allocated therefor, the employer other than the State, upon the adoption and submission to the division of an appropriate resolution prescribed by the commission, may pay the premium or periodic charges for the benefits provided to a retired employee and the employee's dependents covered under the program, if the employee retired from a State or locally-administered retirement system, excepting the employee who elected deferred retirement, and may also reimburse the retired employee for the employee's premium charges under Part B of Medicare covering the retired employee and the employee's spouse if the employee:

(a) retired on a disability pension; or

(b) retired after 25 or more years of nonconcurrent service credit in one or more State or locally-administered retirement systems and a period of service of up to 25 years with the employer at the time of retirement, such period of service to be determined by the employer and set forth in an ordinance or resolution as appropriate; or

(c) retired and reached the age of 65 years or older with 25 years or more of nonconcurrent service credit in one or more State or locally-administered retirement systems and a period of service of up to 25 years with the employer at the time of retirement, such period of service to be determined by the employer and set forth in an ordinance or resolution as appropriate; or

(d) retired and reached the age of 62 years or older with at least 15 years of service with the employer.

“Retired employee and the employee’s dependents” may, upon adoption of an appropriate resolution therefor by the participating employer, also include otherwise eligible employees, and their dependents, who retired from one or more State or locally-administered retirement systems prior to the date that the employer became a participating employer in the New Jersey State Health Benefits Program or who did not elect to continue coverage in the program during such time after the employer became a participating employer that the employer did not pay premium or periodic charges for benefits to retired employees and their dependents pursuant to this section. Eligibility and enrollment of such employees and dependents shall be in accordance with such rules and regulations as may be adopted by the State Health Benefits Commission.

The employer other than the State may, by resolution, pay the premium or periodic charges for the benefits provided to the surviving spouse of a retired employee and the employee’s dependents covered under the program as provided in this section.

(2) Notwithstanding the provisions of any other law to the contrary, the obligations of an employer other than the State, except an independent State authority, board, commission, corporation, agency, or organization deemed to be covered by section 6 of P.L.1996, c.8 (C.52:14-17.28b) and except school boards whose employees are covered by section 3 of P.L.1987, c.384 (C.52:14-17.32f), section 2 of P.L.1992, c.126 (C.52:14-17.32f1) and section 1 of P.L.1995, c.357 (C.52:14-17.32f2), to pay the premium or periodic charges for health benefits coverage under the provisions of paragraph (1) may be determined by means of a binding collective negotiations agreement, including any agreement in force at the time of the adoption of this act, P.L.1999, c.48. With respect to employees for whom there is no majority representative for collective negotiations purposes, the employer may, in its sole discretion, determine the payment obligations for the employer and the employees, except that if there are collective negotiations agreements binding upon the employer for employees who are within the same community of interest as employees in a collective negotiations unit but are excluded from participation in the unit by the “New Jersey Employer-Employee Relations Act,” P.L.1941, c.100 (C.34:13A-1 et seq.), the payment obligations shall be determined in a manner consistent with the terms of any collective negotiations agreement applicable to the collective negotiations unit.

c. Notwithstanding the provisions of any other law to the contrary, the payment obligations of an employee of an employer other than the State, except an independent State authority, board, commission, corporation, agency, or organization, for health benefits coverage under subsection b. shall be the payment obligations applicable to the employee on the date the employee retires on a disability pension or the date the employee meets the service credit and service requirements for the employer payment for the coverage, as the case may be.

43. Section 9 of P.L.1964, c.125 (C.52:14-17.40) is amended to read as follows:

C.52:14-17.40 Coverage, withholding of employee contribution, payment of remainder.

9. An employee enrolling for coverage shall, at the time of enrollment, authorize the participating employer to withhold, on an advance basis, from his wages or salary the contribution required by such employer for such coverage, which shall not exceed the premium or periodic charge therefor. The remainder of the premiums and periodic charges for employee and dependents coverage shall be paid by the participating employer out of its own funds.

C.18A:16-19.1 Establishment of cafeteria plan for health benefits by board of education.

44. Notwithstanding the provisions of any other law to the contrary, a board of education, or an agency or instrumentality thereof, may establish as an employer a cafeteria plan for its employees pursuant to section 125 of the federal Internal Revenue Code, 26 U.S.C. s.125. The plan may provide for a reduction in an employee's salary, through payroll deductions or otherwise, in exchange for payment by the employer of medical or dental expenses not covered by a health benefits plan, and dependent care expenses as provided in section 129 of the code, 26 U.S.C. s.129, and such other benefits as are consistent with section 125 which are included under the plan. The amount of any reduction in an employee's salary for the purpose of contributing to the plan shall continue to be treated as regular compensation for all other purposes, including the calculation of pension contributions and the amount of any retirement allowance, but, to the extent permitted by the federal Internal Revenue Code, shall not be included in the computation of federal taxes withheld from the employee's salary.

C.40A:10-23.5 Establishment of cafeteria health benefits plan by local unit.

45. Notwithstanding the provisions of any other law to the contrary, a local unit of government, or an agency, board, commission, authority or instrumentality thereof, may establish as an employer a cafeteria plan for its employees pursuant to section 125 of the federal Internal Revenue Code, 26 U.S.C. s.125. The plan may provide for a reduction in an employee's salary, through payroll deductions or otherwise, in exchange for payment by the employer of medical or dental expenses not covered by a health benefits plan, and dependent care expenses as provided in section 129 of the code, 26 U.S.C. s.129, and such other benefits as are consistent with section 125 which are included under the plan. The amount of any reduction in an employee's salary for the purpose of contributing to the plan shall continue to be treated as regular compensation for all other purposes, including the calculation of pension contributions and the amount of any retirement allowance, but, to the extent permitted by the federal Internal Revenue Code, shall not be included in the computation of federal taxes withheld from the employee's salary.

46. a. There is appropriated to the Department of Education from the General Fund an amount as the Commissioner of Education shall determine is necessary for the administrative costs of implementing the levy cap provisions of this act applicable to school districts, subject to the approval of the Director of the Division of Budget and Accounting.

b. There is appropriated to the Department of Community Affairs from the General Fund an amount as the Commissioner of Community Affairs shall determine is necessary for the administrative costs of implementing the levy cap provisions of this act applicable to local units, subject to the approval of the Director of the Division of Budget and Accounting.

c. There is appropriated to the Department of the Treasury from the General Fund an amount as the Director of the Division of Taxation in the Department of the Treasury shall determine is necessary for the administrative costs of implementing the credit provisions of this act (sections 19 through 40), subject to the approval of the Director of the Division of Budget and Accounting.

47. This act shall take effect immediately; provided, however, sections 2 through 12 shall be applicable only to budget years beginning on or after July 1, 2007, and shall not be applicable to budget years beginning after June 30, 2012; section 13 shall be retroactive to July 1, 2006, and shall not be applicable to budget years beginning after June 30, 2012; and sections 19 through 40 shall first apply to claims for rebates and credits for property taxes paid for the tax year 2006.

Approved April 3, 2007.