

CHAPTER 19

AN ACT concerning environmental remediation compliance and amending P.L.1975, c.361 and P.L.1983, c.137, and supplementing P.L.1993, c.139 (C.58:10B-1 et al.).

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

1. Section 2 of P.L.1975, c.361 (C.54:3-27.2) is amended to read as follows:

C.54:3-27.2 Refund of excess taxes; interest.

2. Except as required in paragraph (2) of subsection a. of section 2 of P.L.1983, c.137 (C.54:4-134), in the event that a taxpayer is successful in an appeal from an assessment on real property, the respective taxing district shall refund any excess taxes paid, together with interest thereon from the date of payment at a rate of 5% per annum, less any amount of taxes, interest, or both, which may be applied against delinquencies pursuant to section 2 of P.L.1983, c.137 (C.54:4-134), within 60 days of the date of final judgment.

2. Section 2 of P.L.1983, c.137 (C.54:4-134) is amended to read as follows:

C.54:4-134 Application of refund to delinquency.

2. a. (1) Whenever the owner of real property shall be entitled, pursuant to a determination of a county board of taxation or a judgment of the tax court, to a refund of all or any portion of the property taxes paid against the property in any given year, and any property taxes, water or sewer payments, or parking or payroll taxes imposed or to be collected by the municipality against that property or the owner or owners of that property are delinquent at the time of the determination or judgment, the governing body of the municipality constituting the taxing district in which the property is located may apply the refund, or such portion thereof as may be necessary, including any accrued interest, against the delinquency.

- (2) In addition to the application of a refund against a delinquency as set forth in paragraph (1) of this subsection, a refund from an appeal on the assessment of a property that was a constituent part of an industrial site or complex that is currently vacant or underutilized, and that is subject to any federal or State court order, or administrative action or order, for environmental remediation, shall be deposited by the taxing district with the Commissioner of Environmental Protection, to be used to ensure required site remediation. Once the industrial site has been remediated, any remaining refund amounts shall be returned by the commissioner to the taxpayer within 30 days after completion of the site remediation. Any monies not returned within 30 days shall be paid, with interest, from the date of completion of the site remediation, at a rate of 5% per annum. The provisions of this paragraph shall not apply to any property for which a remediation trust fund has been established pursuant to the provisions of section 25 of P.L.1993, c.139 (C.58:10B-3).

- b. If the total amount of the refund is equal to or exceeds the total amount of the delinquency, the lien against the property for unpaid taxes shall be extinguished, and the balance, if any, remaining after the application of the refund against the delinquency shall be forwarded to the owner not later than 60 days after the date of the determination of the county board of taxation or the tax court judgment, as the case may be. If the total amount of the delinquency exceeds the total amount of the refund, the balance of the delinquency remaining shall remain a lien against the property.

C.58:10B-3.2 Annual charge for prompt remediation of certain industrial properties; inapplicability.

3. a. Except as provided in subsection b. of this section, whenever an industrial property that is subject to any federal or State court order, or administrative action or order, for environmental remediation becomes vacant or underutilized, the municipality in which the property is located may assess an annual charge to ensure the prompt remediation of the property. The charge shall not exceed the difference between the amount of property taxes paid on the property in the last year of full industrial operation and the amount of property taxes paid on the property for the current year. Unpaid charges shall constitute a lien on the property and shall be collected in the same manner as property taxes. The municipality shall deposit any funds collected pursuant to this section with the Commissioner of Environmental Protection, who shall credit the amounts deposited against the property owner's environmental remediation liability pursuant to law.

b. The provisions of this section shall not apply to any property for which a remediation trust fund has been established pursuant to the provisions of section 25 of P.L.1993, c.139 (C.58:10B-3).

4. This act shall take effect immediately and section 2 shall be applicable with respect to property tax refunds not paid to the taxpayer prior to the date of enactment of this act.

Approved July 9, 2012.