

CHAPTER 261

AN ACT exempting certain properties acquired by municipalities from taxation, amending various sections of statutory law, and supplementing chapter 4 of Title 54 of the Revised Statutes.

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

C.54:4-3.3g Definitions relative to certain properties acquired by municipalities.

1. a. As used in P.L.2013, c.261 (C.54:4-3.3g et al.), “blue acres property tax exemption” means the property tax exemption established in subsection b. of this section.

b. A parcel of real property acquired by a municipality using funds made available under a federal, county, municipal, or State program for the acquisition of parcels of real property situated in flood-prone areas of the municipality shall become tax exempt on the date of its acquisition by the municipality. For the purposes of this section, the grant of the right of possession, or vesting of title, whichever shall first occur, to the municipality, shall be deemed to be the acquisition with respect to such parcel of real property.

c. A municipality shall provide written notice of its intention to acquire a parcel or parcels of real property situated in a flood-prone area of the municipality to the county, the school board, and any board of fire commissioners in the municipality, not less than 15 calendar days prior to the adoption of their respective budgets. If federal, county, municipal, or State funds are not made available to a municipality for the purpose of acquiring flood-prone properties before the adoption of the county, school, and fire district budgets, the municipality shall provide the written notice of its intention to acquire the real property as soon as it is practicable, but not later than 15 calendar days after the receipt of such funds.

d. (1) If, at the time of any acquisition pursuant to subsection b. of this section, the property owner has paid the taxes for a period beyond the date of the acquisition by the municipality, the municipality shall reimburse to the property owner the amount of the property taxes paid by the property owner for the period beyond the date of acquisition. Such reimbursement shall be made to that property owner not later than 15 calendar days after the next regular meeting of the governing body of the municipality following the acquisition of the parcel of real property by the municipality.

(2) In the event of any dispute between the property owner and the municipality with respect to the amount of a reimbursement of the property taxes paid by the property owner for the remaining portion of the tax year beyond the date of acquisition, the Tax Court shall have jurisdiction to determine the amount of the reimbursement in a summary manner on the application of the property owner, and shall make any order as may be required and appropriate to carry out the court’s determination.

e. If, at the time of any acquisition pursuant to subsection b. of this section, the municipality has paid any tax due to a county, school district, or fire district for a period beyond the date of the acquisition by the municipality, the municipality shall be entitled to credit against the next installment of tax due to be paid to a county, school district, or fire district the amount of the property taxes paid by the municipality for the period beyond the date of acquisition.

2. N.J.S.40A:14-79 is amended to read as follows:

Tax assessment; tax due.

40A:14-79. Upon proper certification pursuant to section 9 of P.L.1979, c.453 (C.40A:14-78.5), the assessor of the municipality in which the fire district is situate shall

assess the amount to be raised by taxation to support the district budget against the taxable property therein, in the same manner as municipal taxes are assessed and the said amount shall be assessed, levied and collected at the same time and in the same manner as other municipal taxes.

For the purposes of this section:

"District tax due" or "tax due" means the amount so assessed less the district's proportionate share of the property taxes no longer owed by the municipality pursuant to the blue acres property tax exemption established by subsection b. of section 1 of P.L.2013, c.261 (C.54:4-3.3g) and less any applicable credit established by subsection e. of section 1 of P.L.2013, c.261 (C.54:4-3.3g).

The collector or treasurer of the municipality in which said district is situate shall pay over all district tax due to the treasurer or custodian of funds of said fire district as follows: on or before April 1, an amount equaling 21.25% of all tax due; on or before July 1, an amount equaling 22.5% of all tax due; on or before October 1, an amount equaling 25% of all tax due; and on or before December 31, an amount equaling the difference between the total of all tax due, and the total of the quarterly amounts of such moneys previously paid over to the fire district. These moneys are to be held and expended for the purpose of providing and maintaining means for extinguishing fires in such district.

Notwithstanding anything herein to the contrary, the municipal governing body may authorize, in the cash management plan adopted by it pursuant to N.J.S.40A:5-14, a schedule of payments of fire district tax due by which an amount greater than required on any of the first three payment dates cited herein may be paid over. The municipal governing body and board of fire commissioners may, by concurrent resolution, adopt a schedule of payments of fire district tax due by which an amount less than required on any of the first three payment dates cited herein may be paid over. Such resolution shall be included in the cash management plan adopted by the municipal governing body pursuant to N.J.S.40A:5-14.

The commissioners may also pay back, or cause to be paid back to such municipality, any funds or any part thereof paid to the treasurer or custodian of funds of such fire district by the collector or treasurer of the municipality, representing taxes levied for fire district purposes but not actually collected in cash by said collector or treasurer.

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

Payment of State and county taxes by municipality.

54:4-74. For the purpose of this section:

"County tax due" or "tax due" means the amount so assessed less the county's proportionate share of the property taxes no longer owed by the municipality pursuant to the blue acres property tax exemption established by subsection b. of section 1 of P.L.2013, c.261 (C.54:4-3.3g) and less any applicable credit established by subsection e. of section 1 of P.L.2013, c.261 (C.54:4-3.3g).

The governing body of each municipality shall cause to be paid to the treasurer of the county, in four installments, the amount of county tax due, and the other 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 county tax due and one-quarter of the other total county taxes finally levied against the municipality for the preceding year, and the amount to be payable for the third and fourth installments shall be the county tax due, and for the other county taxes the full tax as levied, for the current year, less the amount charged as the first and second installments. The total 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.

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

Payment by municipality of school moneys to board secretary or treasurer.

54:4-75. For the purpose of this section:

"School tax due" or "tax due" means the amount so assessed less the school district's proportionate share of the property taxes no longer owed by the municipality pursuant to the blue acres property tax exemption established by subsection b. of section 1 of P.L.2013, c.261 (C.54:4-3.3g) and less any applicable credit established by subsection e. of section 1 of P.L.2013, c.261 (C.54:4-3.3g).

The governing body of each municipality shall pay over to the board secretary or treasurer of school moneys, as appropriate, 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 moneys from school tax due, and thereafter, but prior to the last day of the school year, the balance of the moneys from school tax due for school purposes in such amounts as may be requested from time to time 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.

5. R.S.54:4-76 is amended to read as follows:

Payment of taxes due by municipality, county; borrowing permitted, interest.

54:4-76. The governing body of the municipality or the county shall cause the county tax due, as calculated pursuant to R.S.54:4-74, and other county taxes levied, school tax due, as calculated pursuant to R.S.54:4-75, taxes due to other taxing districts, and State taxes to be paid as and when due for payment. If there shall not be sufficient funds in the treasury available for such payments, the governing body shall immediately borrow sufficient money and pay such taxes due. The board of chosen freeholders of each county may by resolution fix the rate of discount to be allowed for the payment to the county treasurer of county taxes

previous to the date on which they will become due for payment. The rate so fixed shall not exceed six per centum per annum, and shall be allowed only in case of payment on or before the thirtieth day previous to the date on which said taxes will become due for payment to the county treasurer. On any part of the taxes payable to the county treasurer and on any part of the taxes payable to the State by the county treasurer, which shall remain unpaid after the time within which they are required to be paid by this chapter, the taxing district or county in arrears shall pay to the county or State, as the case may be, interest at the rate of six per centum per annum upon the delayed payment.

6. This act shall take effect immediately and shall be retroactive to October 29, 2012.

Approved January 17, 2014.