

CHAPTER 65

AN ACT clarifying tax exemptions for public property and amending P.L.1949, c.177 and R.S.54:4-3.3.

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

1. Section 10 of P.L.1949, c.177 (C.54:4-2.12) is amended to read as follows:

C.54:4-2.12 Application of act, exemptions.

10. P.L.1949, c.177 (C.54:4-2.3 et seq.) shall not affect or apply to:

(1) property leased to or by any interstate agency existing under any interstate compact between the State of New Jersey and any other State or Commonwealth; or

(2) the leasehold estates and the appurtenances or tenancies of any person heretofore or hereafter renting or leasing real property owned by any county or municipality, or agency or authority thereof, whether acquired by said county, municipality, agency, or authority for public use pursuant to law, including use as a stadium or arena, or in any other manner or for any other lawful purpose whatsoever; or

(3) leasehold estates or tenancies of any person renting or leasing for residential use any house or apartment constructed or renovated under the "Local Housing Authorities Law" (P.L.1938, c.19, as amended), "Housing Co-operation Law" (P.L.1938, c.20), "Redevelopment Companies Law" (P.L.1944, c.169), "Urban Redevelopment Law" (P.L.1946, c.52), "Public Housing Law" (P.L.1933, c.78), or any law of this State or of the United States granting, requiring, or authorizing tax assistance or total or partial tax exemption to real estate or improvements thereon used in connection with any public housing project or any veterans' housing project.

2. R.S.54:4-3.3 is amended to read as follows:

Exemption of public property.

54:4-3.3. Except as otherwise provided by article 1 of this chapter (s.54:4-1 et seq.) and P.L.2009, c.6 (C.54:4-3.6f et seq.), the property of the State of New Jersey; and the property of the respective counties and municipalities, and their agencies and authorities, school districts, and other taxing districts used for public purposes, which public purposes include the use for stadiums and arenas, or for the preservation or exhibit of historical data, records or property; school district property which is leased to a nonprofit organization which is exempt from taxation under R.S.54:4-3.6, for use by that organization in its exempt functions; school district property which is leased to another board of education or governmental agency; and property acquired by any municipality through tax title foreclosure or by deed in lieu of foreclosure, if not used for private purpose, shall be exempt from taxation under this chapter, but this exemption shall not include real property bought in for debts or on foreclosure of mortgages given to secure loans out of public funds or out of money in court, which property shall be taxed unless devoted to public use. The lands of counties, municipalities, and other municipal and public agencies of this State used for the purpose and for the protection of a public water supply shall be subject to taxation by the respective taxing districts where situated, at the taxable value thereof, without regard to any buildings or other improvements thereon, in the same manner and to the same extent as the lands of private persons, but all other property so used shall be exempt from taxation. Property, the title to which is in the Morris Canal and Banking Company, in trust for the

State, shall, so long as the title is so vested, be deemed to be the property of the State within the meaning of any tax law.

3. This act shall take effect immediately.

Approved November 21, 2016.