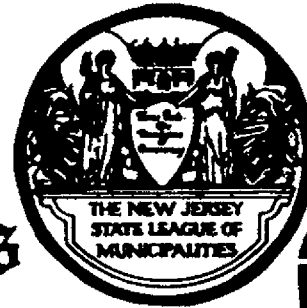


# New Jersey



## Assessors




MEMBER  
International Association  
of Assessing Officers

## Bulletin

Vol. 28, No. 3

AUGUST 1989

### PRESIDENT'S MESSAGE



Every now and then, I get a little ticked off at some of our dubious members who have nothing better to do than criticize our association, and its leaders. The latest criticism, aimed toward me, takes the cake! It has been rumored that in recent meetings with Director Baldwin, I have been selling our Association, and its membership, down the river. No true, gang! While it is true that Steve Kessler, Victor Hartsfield, and I are meeting weekly with Director Baldwin and Local Property Supt. Raney and Asst. Supt. Bills, along with representatives of the County Tax Board Commissioners and Administrators Association, our discussions are aimed toward improving the assessment function. We have not etched anything in stone. The only thing we do agree on, is to be able to disagree. Director Baldwin is willing to listen to our thoughts on improving the system, and has shared with us, his visions for future assessing. Yes, it is true that Director Baldwin would like to see some form of state assessing, but we all knew that going in. We also know that the County Tax Board Commissioners and Administrators would like to see more accountability at the county level. If these ambiguous Assessors read the last issue of our bulletin, they would know where I stand. Let's not forget that there are two Bills (S 1952 & S 3353), before the Legislature. We are being offered the opportunity to address those Bills. What the outcome will be, no one knows at this time. Steve, Victor, and I, share

the same boat ride, as does our membership, even those doubtful members. We have not rocked the boat, nor do we have any intention to capsize it!

**Robert W. Pastor, President**

### FROM THE PRESIDENT-ELECT

As President-elect of AMANJ, I must say that I am proud of the job done by the committee to produce the 36th Annual Conference for Continuing Education. The conference was well attended and we were blessed with the rains that helped keep people in the session. Although many of the older, or should I say, experienced assessors were not pleased with the fact that they had to sit through such elementary sessions, I am pleased to note that a greater majority of the attendees got a great deal out of the subject matter. I applaud Fred Chmura and John Ryan for the excellent presentations; and, I congratulate President Pastor and the Conference Committee for a great Conference at Rutgers.

Plans are now under way for the League of Municipalities conference, November 14, 15, 16, and 17, 1989. I hope our association members, friends and well wishers will be in full number to attend the sessions we have planned and to attend the annual assessors luncheon where, we will thank Bob Pastor for an excellent job he has done as President of AMANJ for the past two years and celebrate the new administration as we venture into, what promises to be, a most challenging period in our profession.

**Victor A. Hartsfield, Sr.**

The best travelers on the highway of life are more interested in finding new friends than in seeing new sights.

## BI-ANNUAL MEETING, AMANJ

The Bi-Annual Meeting of the Association of Municipal Assessors of New Jersey was called to order by President Robert W. Pastor on Tuesday, June 13, 1989, at 8:00 pm, immediately following Ed Rosenblum's presentation of the current court cases.

Following the Pledge of Allegiance, President Pastor asked for a moment of silence in memory of all of our departed members and friends.

Roll call of the Executive Board was taken by Secretary, Vicky Mickiewicz, with 41 members present.

Bill Birchall made a motion, seconded by Brian Vigue, that the minutes of the April 27, 1989 Executive Board Meeting be approved as mailed. Motion carried.

Treasurer's report was given by Treasurer Lee Serlenga.

Scholarships will be awarded at the Banquet on Thursday, June 15 to: Cynthia A. Hartman, Jon C. Henbest, John W. Keuler, Tara A. Pastor, Ronald A. Rowe, Stephanie M. Souchak, & Rachel E. Vigue.

Steve Kessler, Chairperson of the Budget Committee presented the proposed budget for the AMANJ for the year, July 1, 1989/June 30, 1990. Bill Birchall made a motion, seconded by Tony Leone, that the budget be adopted as presented. Motion carried.

President Pastor reported that as a result of the meeting in Cape May in February of the representatives of the AMANJ and the NJCTBC&CTA there will be weekly meetings of the two Associations with Director Baldwin, Jack Raney, and Alvin Bills. The AMANJ representatives are: Bob Pastor, Steve Kessler, and Victor Hartsfield; the NJCTBC&CTA representatives are: Gilberto Melendez, John Meeker, and Arthur Sears. The first meeting is scheduled for Wednesday, July 12, 1989. Reports of these meetings will be made at the Executive Board Meetings of the AMANJ.

Atlantic City, Kathi Meale, Chairperson. Art Amonette reminded everyone that the sign-up sheets for the room reservations for Bally's for the League Conference would be in the Hospitality Room during the Continuing Education Conference.

Public Relations, Bill Nikitich, Chairperson, reiterated that "You and Your Property" brochures are available again for purchase. Notices and order blanks went out with the Bi-Annual Meeting Notice. The Public Relations Committee explored the possibility of producing a video tape for the N.J. Assessors, similar to the IAAO video tape. Bill met with a representative from T.V. & Radio Production, Rutgers U. It was estimated that it would cost in the neighborhood of \$15,000.00 for Rutgers to produce a

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tape. This project is now on hold.

Legal Fund Procedures for applying for assistance have been established and were mailed to all members. Please make sure that you follow the correct procedures in the event of a possible court case.

Constitution & By-Laws, Anthony Leone, Co-Chairperson. President Pastor commended Carole Kerr and Tony Leone for the superb job they have done. The new Constitution and By-Laws will be presented at a special meeting on Thursday, July 20. After final approval by the Executive Board, it will be presented to the general membership at the Annual Meeting in November.

Ed Rosenblum reported that Anrea Souchak, Wildwood Crest, Cape May County, was accused by the Commissioner of Revenue and Finance that he (Souchak) went on vacation without permission and suspended him without pay. Ed informed the Commissioner that this could not be done; that a complaint had to be filed with the Director, Division of Taxation in order to remove an Assessor from office. However, the Commissioner disregarded this warning. Ed then filed suit in the Superior Court in Cape May and the case was transferred to Judge Rimm. This case has not been resolved at this point in time.

result of action by Vicky Mickiewicz, CTA, SPA  
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## LEGISLATIVE REPORT

The New Jersey Legislative calendar received in the mail the day this report is being written



indicates that we are in the summer Legislative lull. No major sessions are scheduled before the Senate meets on August 3rd.

This being the case, it seems to me to



be a good time to review the current status of some items of importance to New Jersey Assessors.

The future of the profession, as embodied in either the Stockman bill (S-1952) or the Feldman bill (S3353) has been discussed in this space before. Currently these bills are being reviewed at the request of Senator Contillo, Chairman of the Senate County and Municipal Government Committee, by a working committee composed of representatives of the Division of Taxation, our Association and the County Tax Administrators. No direct legislative action is anticipated before September on these bills.

The "Real Estate Appraisers Act of 1989" (A4290) was released from the Assembly Higher Education and Regulated Professions Committee on July 10th. While the bill applies primarily to fee appraisers, we believe it has a substantial impact on Assessors and their ability to perform their duties. The sponsor, Assemblyman Hendrickson has been made aware of our concerns.

The Government News Network continues to be a valuable aid to the committee. Since subscribing in October 1988, we have dialed in to the GNN computer and used over six hours of computer time. While this might seem like a small amount of time, the normal call to check the status of bills in our file is less than five minutes. The committee's August meeting will prepare us for the fall legislative sessions.

**Bill Birchall & Walt Kosul, Co-Chairmen**

## PROCEDURE FOR ASSISTANCE FROM AMANJ LEGAL FUND

When a problem arises and legal assistance is desired, the following steps must be taken:

1. Contact the current State President or Jim Anderson (201-892-3434) who will contact the association attorney, or in the event that there is a conflict, will contact one of the other AMANJ approved attorneys.

2. Document in full the problem in writing; include all pertinent data, i.e. current & previous salary ordinances, directives, etc.

3. Send copies of all documentation to the current State President and Jim Anderson, at P.O. Box 25, Point Pleasant, NJ 08742.

4. Advise your local county president and supply him/her with a copy of all data sent to Jim Anderson and the Association President.

In many instances, time is of the essence. However, do not hire an attorney before you contact Jim or the current president, as this may jeopardize funding from the Association. Attorneys not practiced in local property matters may not be familiar with recent court cases, and may even file an action on your behalf in the wrong court.

The following is a list of AMANJ approved attorneys that may be retained by our Association:

Edward Rosenblum, AMANJ Attorney

Anthony Andora

Frank Carlet

Richard Conley

Saul Wolfe

Additional attorneys may be added at a future date.

## ASSEMBLY, No. 4031

AN ACT concerning property tax deductions for volunteer firemen and volunteer first aid or rescue squad members and supplementing Title 54 of the Revised Statutes.

## LEGAL CORNER

### SPOT ASSESSING—THE OTHER SHOE DROPS

Some of you may recall that during the Assessors' Conference at Rutgers, I discussed the recent opinion of the Appellate Division in *Schwam v. Cedar Grove Tp.* wherein the court discussed the subject of spot assessing and, in that regard, indicated that the practice of reassessing properties following a sale may, under certain circumstances, be improper.



That same appellate panel in *Township of West Milford v. Gerald and Juanita Van Decker* has now set aside an increased assessment in a non revaluation year where the assessment was increased following a sale of the subject property to a ratio slightly below the Chapter 123 ratio for the taxing district. Under a strict application of Chapter 123, however, the increase in assessment would clearly have been sustainable.

The last district-wide revaluation in West Milford was put into effect in 1970. For the 1985 tax year the assessor changed 751 assessments, of which 347 were attributable to sales. While the Chapter 123 ratio was 41.46%, the assessor increased the assessment on the taxpayer's property to 39.89%. The court also found that while the 347 assessments on sold properties were increased, none of the assessments on neighboring comparable properties were disturbed. "As a result, increased property taxes were paid to the municipality by its newest property owners." Pg. 6 Slip Opinion. The court likened this to the "welcome stranger" assessment technique condemned in the recent Supreme Court opinion in *Allegheny Pittsburgh Coal Company v. County Commission of Webster County*, 109 S. Ct. 633 (1989).

Although the Chapter 123 ratio for 1985 was 41.46%, the court conducted an exhaustive analysis of other statistical studies available from the Director and concluded that the 469 residential sales for the 12 month period ending June 30, 1985 disclosed an average ratio of only 32.93%. The court took judicial notice of these statistics owing to the fact that this case involved a *pro se* taxpayer owning a single family home. Thus, the assessment of this taxpayer's property at 39.89% resulted in a substantial overassessment of his property.

West Milford defended on the basis of *Quinn v. Jersey City*, 9 N.J. Tax 128 which sustained increase in assessment based upon sales of property and held that the Chapter 123 ratio was the exclusive remedy for assessment discrimination except for extreme, severe or egregious circumstances. The Appellate Division made short shrift of this argument: "we

disagree with and overrule that conclusion in *Quinn*." At p. 16. The court went on to say that Chapter 123 is not automatically applicable to situations where the tax board has overturned an assessment. The taxing district, the court said, has the burden of proof not only of market value but "of the absence of a common level to trigger the provisions of Chapter 123" and, in a statement which represents a radical departure from all of the case law which has been handed down since *Murnick v. Asbury Park*, 95 N.J. 452 (1984), the court said:

"We conclude that in order for Chapter 123 to be implemented, the taxing district must establish that there was no common level, and that the county board judgment was at a ratio which could not be justified within the confines of the assessment ratios of the taxing district."

This case invokes the old adage "bad facts make bad law". One must wonder whether the result would have been different if the appeal had not involved a *pro se* taxpayer owning a single family home. Nevertheless, I have long urged this Association and its membership to exercise extreme caution when levying assessments on newly constructed properties or condominium/cooperative conversions. I have repeatedly stressed that Chapter 123 should not be used as an assessing tool since the ratio reflected thereby is the product of a sales study which involves averaging with the prior year's study and, in turn, year prior thereto on a regressive basis. Thus, in a rising market, the Chapter 123 ratio will, in all probability, reflect a level of assessment higher than that which actually prevails in the taxing district. When assessing newly constructed properties or condominium/cooperative conversions, the better practice is to assess at the unweighted ratio reflected in the most recent sales sampling period.

If *Van Decker* is affirmed, or if the Supreme Court denies certification, the practice of reassessing a property following a sale, unless it is done immediately following the implementation of a revaluation, will probably result in cancellation of the increase as unlawful spot assessing.

Edward G. Rosenblum

### ASSEMBLY, No. 4025

AN ACT providing the exemption from the property tax of solar heating and cooling systems, and supplementing chapter 4 of Title 54 of the Revised Statutes.

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\*\*\*\*\*

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## NOMINATING COMMITTEE REPORT

In accordance with the provisions of Article III, Section 4 & 5, Paragraph 4, of the Constitution and By-Laws of the AMANJ, a meeting of the Nominating Committee was held on Tuesday, June 13, 1989, and following consideration of all prospective candidates, hereby recommends the following candidates:

**Sergeant at Arms—BRIAN VIGUE**, Assessor, Pleasantville, & Port Republic, Atlantic County

**Burlington, Monmouth, Ocean Vice President—BERNARD MARX**, Assessor, Colts Neck, Fair Haven, Little Silver, & Shrewsbury, Monmouth County

**Essex, Morris, Union Vice President—CARMINE MISTICHELLI**, Assessor, Roselle, Union County

**Mercer, Middlesex, Somerset Vice President—PAUL RAFIANI**, Assessor, Edison, Middlesex County

### Article III, Section 4 & 5, Paragraph 5

"Any prospective candidate, other than the Nominating Committees nominees, seeking an elected office must do so by petition. The petition must be signed by at least twenty (20) regular members in good standing, include" a resume and be submitted to the Secretary by September 5. A can-

didate may be nominated for only one office or petition for only one office."

**Article III, Section 4 & 5, Paragraph 10**  
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# **Association of Municipal Assessors of New Jersey**

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### **ASSEMBLY, No. 3868**

AN ACT concerning the deferral of the payment of certain property taxes of recreational boat marina lands, amending R.S.54:5-19, supplementing Title 54 of the Revised Statutes and making appropriation.

#### **STATEMENT**

This bill provides for a loan program through which owners of boat marinas may, on the strength of the equity in their boat marina land, defer property tax payments on those lands. The boat marina must be available for public use and be used as the principal berth of at least ten boats, which boats are owned by at least ten different persons.

These property tax deferrals will help preserve the existence of a sufficient number of boat marinas to service the needs of the boating public. Further the bill establishes a "Boat Marina Land Property Tax Deferral Fund" to provide State reimbursement to municipalities for taxes deferred.

Essentially, the bill provides for the equivalent of annual land equity loans in the amount of property taxes due from these lands. The loans will be repaid when there is a change of use or when there is a transfer of land to a person who does not qualify.

Specifically, the bill applies to any owner of a boat marina who derives the major source of his income from that marina and owns the land on which the boat marina is located.

To qualify for a deferral, a boat marina owner must have at least 50% equity in his boat marina land. Deferred land taxes will carry interest at 1% below a recognized national average for interest on tax-exempt bonds. The bill limits the cumulative allowable amount of deferrals and interest to 50% of boat marina land value. A boat marina owner whose equity exceeds 50% of boat marina land value may, with the approval of the Division of Taxation,

defer taxes and interest up to 80% of that equity.

The bill provides for annual State reimbursement to municipalities. It is anticipated that, as deferred taxes and interest are repaid, the program will become self-supporting.

The bill appropriates \$2,500,000.00 for the first year's reimbursements.

### **SPECIAL EXECUTIVE BOARD MEETING, AMANJ**

The Special Executive Board Meeting of the Association of Municipal Assessors of New Jersey was called to order by President Robert W. Pastor on Tuesday, June 13, 1989 at 6:55 pm. President Pastor advised the Board that some of the Assessors may have to pay to attend the N.J. Assessors Continuing Education Program at Rutgers this year. Al Greene made a motion, seconded by Joe Ravitz, that the AMANJ use the education fund to repay the members who have to pay for the tuition themselves. Motion passed.

Vicky Mickiewicz, Secretary

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### A-4110

#### STATEMENT

This bill revises the method of distributing public utilities gross receipts and franchise taxes, in order to maximize property tax relief for all municipalities in this State. The bill also revises current law dealing with distressed municipalities.

Essentially, the bill provides that gross receipts and franchise taxes will be distributed from a "Community Property Tax Relief Fund," in part according to each municipality's respective portion of utility conduits, and in part according to the municipality's population. For the first year, no municipality will receive less than it received in 1987; for each succeeding year, no municipality shall receive less than it received in the first year under the new program. This is made possible, in part, by the fact that the bill requires that all gross receipts and franchise taxes be deposited in special funds for property tax relief, and not retained for general State use. The bill will not become operative until the adoption of a constitutional amendment to this effect.

The bill also establishes "caps" for the apportionment of gross receipts and franchise taxes. For each of the first two years, the "cap" will be 125% of 1987 receipts. For each year thereafter, that "cap" will be increased by the percentage increase in public utilities gross receipts and franchise taxes.

In addition, the bill establishes a special "Property Tax Aid Fund for Distressed Communities." Sources of revenue for this fund will include five percent of each year's gross receipts and franchise taxes, amounts not distributed under the general formula because of the "caps," and interest earned on moneys in the "Community Property Tax Relief Fund." The "distressed communities fund" is to be used for grants and loans under the current "Special Municipal Aid Act."

Finally, the bill revised the "Special Municipal Aid Act" by permitting all municipalities to apply for eligibility, and enhancing the management and fiscal accountability of municipalities receiving aid under the act.

### A-4044

AN ACT concerning property tax relief, amending various sections of statutory law and supplementing Title 54 of the Revised Statutes.

#### STATEMENT

This bill would cap an individual's property tax payment at an amount equal to 8% of his income, up to a maximum of \$1,000. The cap would apply to all senior citizens and all disabled persons whose New Jersey taxable income is less than \$25,000.

Under the provisions of the bill, a homeowner would be required to pay his property taxes and would apply for a payment from the State for the amount his property taxes exceeded 8% of his income. A renter would also be eligible for a payment; 18% of his rent would be considered payment for property taxes.

A taxpayer would file for the payment when he filed his New Jersey income tax return.

Those persons who receive tax relief under this bill would be ineligible for tax relief under the "Homestead Tax Relief Act," P.L. 1985, c. 304 (C. 54A:3A-1 et seq.), but would not be precluded from receiving the following if they are otherwise eligible: the homestead rebate pursuant to P.L. 1976, c. 72 (C. 54:4-3.80 et seq.); the property tax deduction for senior citizens and the disabled under P.L. 1963, c. 172 (C. 54:4-8.40 et seq.); and the veteran's property tax deduction under P.L. 1963, c. 171 (C. 54:4-8.10 et seq.).

The bill would finance the tax relief for senior and disabled citizens through the imposition of an increase in the New Jersey Gross Income Tax on taxpayers with taxable incomes over \$100,000. Under section 8 of the bill, taxpayers with taxable incomes of between \$100,000 and \$250,000 would pay an additional tax of 1.5% of taxable income; those earning between \$250,000 and \$300,000 would pay an additional 2-1/2% of taxable income in gross income tax.

The bill would apply in the 1989 tax year and thereafter in order to allow the Division of Taxation the administrative time necessary to implement the increases in income tax imposed under its provisions.



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Phone: (201) 361-2700PAUL G. PARSONS, CTA  
Executive Vice President**SENATE, No. 2713**

AN ACT concerning the abatement or exemption of taxes in certain cases, supplementing Title 40A of the New Jersey Statutes, and repealing P.L. 1975, c. 104, P.L. 1977, c. 12, P.L. 1977, c. 284 and P.L. 1979, c. 233.

The Legislature finds that the various statutes authorized by Article VIII, Section I, paragraph 6 of the New Jersey Constitution permitting municipalities to grant for periods of five years exemptions or abatements, or both, from taxation in areas in need of rehabilitation have proven to be effective in promoting the construction and rehabilitation of residential and commercial and industrial structures in areas threatened with economic and social decline. There exists, however, a need to consolidate and make more coherent the most useful features of those various statutes in order to promote the most effective and coordinated use of the various authorizations afforded to municipalities and to include in-fill construction in a comprehensive strategy of rehabilitation of these areas by permitting exemptions and abatements for construction of new single family and multiple dwellings. It is the purpose of this act to permit municipalities the greatest flexibility possible within the constitutional limitations to address problems of deterioration and decay while preserving the salient features of the existing tax exemption and abatement programs.

This bill, the "Comprehensive Tax Abatement and Exemption Law," consolidates the various five-year tax exemption and abatement statutes enacted under Article VIII, Section I, paragraph 6 of the State Constitution. It incorporates the recommendations of the County and Municipal Government Study Commission in this regard contained in its report, *Local Development in New Jersey* (1987).

Besides consolidating and eliminating overlapping sections of law, the bill would provide for a standard definition of "areas in need of rehabilitation" to govern all exemptions and abatements whether granted to residential dwellings, multiple dwellings, or commercial or industrial structures. A designation of an area as being in need of rehabilitation would be made by the Department of Community Af-

fairs upon application by the municipality. If appropriate, an entire municipality could be designated as an area in need of rehabilitation. The designation would be based on regulations and specific criteria adopted by the department. Any designations would have a time limit of 10 years, at which time a review of the original designation would take place.

Once an area within a municipality, or the entire municipality, has been designated as an area in need of rehabilitation, the local governing body would then be able to enact a local ordinance providing for five-year tax exemptions and abatements for the improvement of one or two unit residential structures; the improvement, expansion, or construction of new commercial and industrial projects; the conversion to, or improvement of, existing multiple dwellings; or any one or combination of the above types of projects.

Because of the importance of in-fill construction in a comprehensive strategy for improvement of areas in need of rehabilitation, the bill provides for tax abatements and exemptions for the construction of new single family or multiple dwelling projects.

The bill also strengthens the reporting requirements on the use of the various tax exemption and abatement options permitted, in order to provide a continuous monitoring of the effects of utilization.

**ASSEMBLY, No. 3577**

AN ACT temporarily making permissive the implementation of a revaluation of real property in certain cities.

Notwithstanding any provisions of law, rule, regulation or judicial order to the contrary, no city of the second class having a population of more than 80,000 but less than 90,000 shall be required to implement a revaluation of real property for the tax years 1989 and 1990. The determination of a city not to implement a revaluation pursuant to this act shall not prevent the city from conducting and implementing any partial or complete reassessment of real property in the city during the time covered by the act.



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**ASSEMBLY CONCURRENT  
RESOLUTION No. 117**

A CONCURRENT RESOLUTION proposing an amendment to Article VIII, section III of the Constitution of the State of New Jersey.

This concurrent resolution proposes an amendment to Article VIII, section III of the State Constitution to permit the Legislature to enact laws allowing municipalities to provide property tax exemptions for privately-owned property which is dedicated to municipalities for conservation, recreation or open space uses.

This amendment to the Constitution, if approved by the voters, would add a paragraph to Article VIII, section III thereof. That article and section contain paragraphs concerning tax exemptions in blighted areas, the prohibition of giving or loaning money or credit to private agencies and the prohibition of appropriations or land donations to private agencies. The new paragraphy would permit, upon enactment of State law, municipalities to adopt ordinances granting property tax exemptions to privately-owned property for which all unrealized and unexpended rights to development or use other than conservation, recreation or open space have been dedicated, for a specific time period, to the municipality and for which public access is provided.

**ASSEMBLY, No. 3644**

AN ACT concerning the exemption from taxation of certain accessory housing unit improvements and supplementing chapter 4 of Title 54 of the Revised Statutes.

**STATEMENT**

This bill provides tax incentives to encourage homeowners to take parents or grandparents into their homes.

Specifically, this bill would allow local tax assessors to forego increasing assessments due to renovations designed to accommodate a parent or grandparent by providing an assessment exemption.

The parent or grandparent must be at least 62 years of age and reside with the taxpayer.

The financial burdens imposed upon low income older persons by ever-increasing health care costs and other escalating expenses including increasing property taxes limit their affordable housing options. Affordable housing options could be expanded for older persons by enabling them to live close to their children in an in-law apartment. In-law apartment living would enable older persons to remain physically and mentally healthy by becoming an involved and meaningful member of a family unit. It is in the best social and economic interests of the State to encourage the care of older persons within the family.

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**SENATE, No. 3111**

AN ACT concerning certain senior citizens', disabled persons' and veterans' real property tax exemptions, amending P.L. 1963, c. 171 and P.L. 1963, c. 172, and supplementing chapter 4 of Title 54 of the Revised Statutes.

Every person, a citizen and resident of this State of the age of 65 or more years, or less than 65 years of age who is permanently and totally disabled, having an annual income not in excess of the limitations provided in this section and residing in a dwelling house owned by him which is a constituent part of his real property or residing in a dwelling house owned by him which is assessed as real property but which is situated on land owned by another or others, *or residing as a tenant shareholder in a nonprofit cooperative or mutual housing corporation*, shall be entitled, annually, on proper claim being made therefor, to a deduction against the tax or taxes assessed against such real property, to an amount not exceeding the amount of said tax, *the proportionate share of said tax attributable to his unit*, or the sum provided in this section, whichever is the lesser, but no such deduction from taxes shall be in addition to any other deduction or exemption from taxes to which said person may be entitled, except a veteran's deduction provided under P.L. 1963, c. 171 (C. 54:4-8.10 et seq.). A citizen and resident granted a deduction pursuant to this section may receive in addition any homestead rebate or credit provided by law.

For the purposes of this section, the annual income limitation shall be: \$5,000.00 for any year prior to 1981; \$8,000.00 for the year 1981; \$9,000.00 for the year 1982; and \$10,000.00 for year 1983 and each year thereafter.

The sum deducted pursuant to this section shall not exceed: in any year prior to 1981, \$160.00; in the year 1981, \$200.00; in the year 1982, \$225.00; and in the year 1983 and in each year thereafter, \$250.00.

This bill extends the tax exemption now granted to a senior citizens, a disabled person, and a veteran, on a dwelling house owned by such person, to a residential unit held by such person as a stockholder in a cooperative or mutual housing corporation. A Constitutional amendment necessary to authorize the extension of the tax exemption is to be voted upon in the November, 1988 general election. The act will not become operative unless the Constitutional amendment is adopted.

**SENATE CONCURRENT  
RESOLUTION No. 131**

This resolution puts before the voters of this State an amendment to the State Constitution to

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allow for the assessment of waterfront land used for commercial fishing to be based on the value that land has when it is used for commercial fishing purposes. The resolution also provides that when the land ceases to qualify for commercial fishing assessment, it is subject to rollback taxes equivalent to the difference between the commercial fish assessment and the taxes that would have been paid had the waterfront land been assessed otherwise during the year of change in use and the preceding two tax years.

**ASSEMBLY, No. 4019**

AN ACT providing a property tax exemption for certain veterans, amending P.L.1948, c.259, and repealing P.L.1971, c.398, s.2.

**STATEMENT**

This bill allows an exemption from real property taxes for veterans who received a service-connected disability, whether in time of war or otherwise.

Currently, such an exemption is limited to veterans who received a service-connected disability in time of war. This bill amends current law to provide the exemption for any veteran disabled as a result of active service in any branch of the Armed Forces of the United States.

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### ASSEMBLY, No. 3877

AN ACT concerning property tax deductions for senior citizens and persons who are permanently and totally disabled, and amending P.L.1963, c.172 and P.L.1981, c.85.

#### STATEMENT

This bill would permit a municipality, by ordinance, to increase the income limit for qualification for the property tax deduction for senior citizens and persons who are permanently and totally disabled from the present limit of \$10,000.00 per year up to \$17,250.00 per year. The bill also expands the types of income which are excludable from the income limitations for this property tax deduction, so that persons who have been self-employed would qualify.

The income limit has not been increased since 1983. By permitting a municipality to increase this limit at its discretion, as well as expanding the types of excludable income, more senior citizens and persons who are permanently and totally disabled, and who do not qualify under current law, will qualify for the \$250.00 property tax deduction.

### ASSEMBLY, No. 4474

A SUPPLEMENT to "An Act making appropriations for the support of the State Government and the several public purposes for the fiscal year ending June 30, 1990 and regulating the disbursement thereof," approved....., 1989 (P.L.1989, c....).

This bill makes a supplemental appropriation of \$98,266,000 in FY 1990 to the Department of Education for additional State aid to school districts. These funds will be used to restore full funding for three categorical aid programs (compensatory, bi-lingual and special education) and to provide that no district receives less than 90% of the State aid received last year or less than 91% of its full entitlement this year, whichever amount is greater.

The bill would take effect upon the enactment of the FY 1990 annual appropriations act or upon the enactment of Assembly Bill No. 4472 or Senate Bill 587, which repeal the Homestead Tax Relief Act, whichever occurs later.

**N.R.A.A.O. AND RUTGERS PICTURES  
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