

TOWNSHIP OF DENNIS

**TOWNSHIP COMMITTEE
WORKSESSION AGENDA**

MAY 05, 2015

6:30 P.M. (prevailing time)

CALL TO ORDER:

Mayor's announcement: The notice requirements provided for in the "Open Public Meetings Act" have been satisfied. Notice of this meeting was properly given in Resolution No. 2014-155 entitled the Annual Meeting Notice which was adopted by the Dennis Township Committee on December 16, 2014. A meeting notice has been published and posted in accordance with the act.

FLAG SALUTE:

ROLL CALL OF MEMBERS PRESENT:

___ DiCicco, A.; ___ Salimbene, L.; ___ Tozer, D.; ___ O'Connor, B.; ___ Murphy, J;

SPECIAL PRESENTATIONS OR DISCUSSIONS:

None.

DEPARTMENTAL REPORTS AND PROJECT UPDATES:

Admin & Finance:

Discuss correspondence regarding Assembly Bill No. A-4325 – Transparent Tax Act of 2015.

Engineering:

Nothing Pending.

Construction:

Nothing Pending.

Legal:

Nothing Pending.

RESOLUTIONS:

Scheduled for Public Hearing on 05/19/2015:

Adoption of the 2015 Municipal Budget.

ORDINANCES:

Scheduled for Public Hearing on 06/01/2015:

Ord. #2015-04

An Ordinance of the Township of Dennis, County of Cape May and State of New Jersey Establishing the Compensation of the Officers and Employees of the Township of Dennis. (For Introduction and First Reading).

MOTION TO ADJOURN THE MEETING:



NEW JERSEY GENERAL ASSEMBLY

ROBERT J. AUTH
ASSEMBLYMAN
NEW JERSEY 39TH LEGISLATIVE DISTRICT
AsmAuth@njleg.org

COMMITTEES
FINANCIAL INSTITUTION
AND INSURANCE
STATE AND LOCAL GOVERNMENT

March 2015

Township of Dennis
Attn: Mayor & Council
571 Petersburg Road
Dennisville, NJ 08214



Dear Mayor and Members of the Council:

Enclosed for your review, please find a copy of a bill I have introduced in the New Jersey General Assembly. This Bill, the Transparent Tax Act of 2015, is intended to provide clarity to local property taxpayers and to share proportionally the burden of assessment appeal refunds between all taxing authorities.

It is my intent that this provision will remind municipal property taxpayers that while a municipality, by law, is charged with the responsibility to issue property tax bills on behalf of not only itself, but all taxing districts (county, schools, fire district, etc.) the amount of the property taxes attributed to municipal purposes generally does not make up the largest portion of the property tax bill.

This Bill would require the municipal tax collector to send notice of the pro rata share of the property tax appeal refunds paid by the municipality during the tax year to the county, school districts and fire districts for inclusion in their annual budgets. In the following tax year in which the refunds were paid, the municipal tax collector is then required to deduct the applicable pro rata share of the property tax refund from the amounts to be paid to the county and each school and fire district.

If you agree with my proposal, I would respectfully ask that your council vote on a resolution in support of Bill A4235, the "Transparent Tax Act of 2015."

Sincerely,

Robert J. Auth

Please mail a copy of your completed resolution to:

Senator Jeff Van Drew - 211 S. Main St., Suite 104, Cape May Court House, NJ 08210
Assemblyman Bob Andrzejczak - 211 S. Main St., Suite 104, Cape May Court House, NJ 08210
Assemblyman Samuel L. Fiocchi - 942 S. Delsea Drive, Unit A Vineland, NJ 08360
Governor Chris Christie - Office of the Governor, PO Box 001, Trenton, NJ 08625

350 MADISON AVENUE
CRESKILL, NJ 07626
PHONE: (201) 567-2324
FAX: (201) 567-8514

1069 RINGWOOD AVENUE, SUITE 312
HASKELL, NJ 07420
PHONE: (862) 248-0491
FAX: (862) 248-0494

SAMPLE RESOLUTION

**FROM THE BOROUGH CLERK'S OFFICE
SUPPORTING THE TRANSPARENT TAX ACT OF 2015**

R E S O L U T I O N

WHEREAS, Assembly Bill No. A-4325 supplementing chapter 4 of Title 54, R.S.54:4-65 and designated the "Transparent Tax Act of 2015" is being considered for adoption by the New Jersey State Assembly; and,

WHEREAS, the amendment would permit the local jurisdiction to print separate tax bills to each taxpayer, one showing the amount of property taxes due and payable for municipal tax purposes, the other shall state the amount of property taxes due and payable for county purposes, school purposes, fire district purposes, and for the purposes of any other special district on behalf of which the municipality collects property taxes; and,

WHEREAS, both bills shall include a brief tabulation showing the distribution of the total amount to be raised by taxes; and,

WHEREAS, A-4325 would require the municipal tax collector to send notice of the pro rata share, if any, of the property tax appeal refunds paid by the municipality during the tax year to the county, school districts, and fire districts for inclusion in their annual budgets;

WHEREAS, in the following tax year in which the refunds were paid, the municipal tax collector is then required to deduct the applicable pro rata share of the property tax refund from the amounts to be paid to the county, and each school and fire district; and,

WHEREAS, these amendments, if adopted, will assist the general public to understand the tax bill, the structure of the taxes, and the level of support for each agency, and will further provide a more equitable structure to share the obligation of paying approved tax appeals as the title states, creates transparency in the tax supporting local assessments.

NOW THEREFORE, BE IT RESOLVED that the Mayor and Council of the Borough/City/Township of _____, County of _____, and State of New Jersey, hereby supports Assembly Bill A-4235 amending Title 54:4-65 and urges the Legislature to approve and pass the bill for the reasons expressed herein; and,

BE IT FURTHER RESOLVED that a copy of this resolution be sent to the members of the NJ State Assembly, the members of the NJ Senate, and the Governor of the State of NJ, the New Jersey State League of Municipalities, the Municipal Clerks' Association of New Jersey, and all Bergen County municipalities.

ASSEMBLY, No. 4235

STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED FEBRUARY 24, 2015

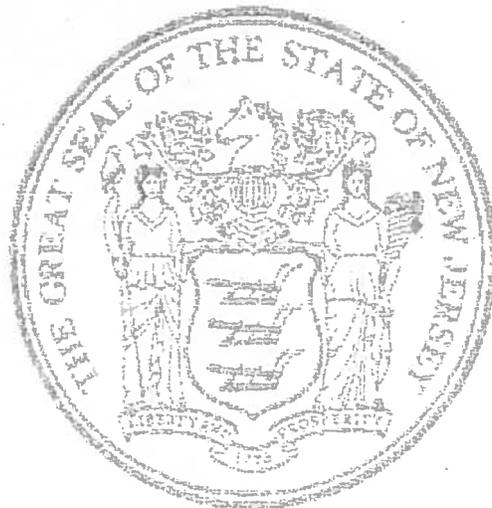
Sponsored by:
Assemblyman ROBERT AUTH
District 39 (Bergen and Passaic)

SYNOPSIS

Permits municipalities to issue two separate property tax bills to property taxpayers; requires fire districts, school districts, and county governments to share in burden of property assessment appeal refunds.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT designated the "Transparent Tax Act of 2015," amending
2 various parts of the statutory law, and supplementing chapter 4
3 of Title 54 of the Revised Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. R.S.54:4-65 is amended to read as follows:

9 54:4-65. a. The Director of the Division of Local Government
10 Services in the Department of Community Affairs shall approve the
11 form and content of property tax bills.

12 b. (1) **[Each]** Except in those municipalities that send out two
13 separate property tax bills as permitted in subsection f. of this
14 section, each tax bill shall have printed thereon a brief tabulation
15 showing the distribution of the amount raised by taxation in the
16 taxing district, in such form as to disclose the rate per \$100.00 of
17 assessed valuation or the number of cents in each dollar paid by the
18 taxpayer which is to be used for the payment of State school taxes,
19 other State taxes, county taxes, local school expenditures, free
20 public library taxes, and other local expenditures. The last named
21 item may be further subdivided so as to show the amount for each
22 of the several departments of the municipal government. In lieu of
23 printing such information on the tax bill, any municipality may
24 furnish the tabulation required hereunder and any other pertinent
25 information in a statement accompanying the mailing or delivery of
26 the tax bill.

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

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

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

46 d. The tax bill or form mailed with the tax bill shall include

EXPLANATION - Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 thereon the date upon which each installment is due.

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

7 f. (1) In lieu of sending one property tax bill to each taxpayer
8 as otherwise provided in subsection b. of this section, the governing
9 body of a municipality may, by resolution, authorize the tax
10 collector to issue two separate property tax bills to each property
11 taxpayer within the taxing district. One tax bill shall state only the
12 amount of property taxes due and payable for municipal purposes.
13 The second property tax bill shall state the amount of property taxes
14 due and payable, after allowance any property tax deductions that
15 are permitted by law, for county purposes, school purposes, fire
16 district purposes, and for the purposes of any other special district
17 on behalf of which the municipality collects property taxes.

18 Both tax bills shall include a brief tabulation showing the
19 distribution of the total amount raised by property taxation in the
20 taxing district by purpose of tax in such form as to disclose the rate
21 per \$100 of assessed valuation or the number of cents in each dollar
22 paid by the taxpayer to be used for the payment of the taxes shown
23 on each property tax bill.

24 In the event that other State or local taxes are imposed, and are to
25 be collected, locally after the effective date of P.L. _____,
26 c. (pending before the Legislature as this bill), only those
27 additional taxes to be raised for municipal budgets shall appear on
28 the municipal purposes property tax bill. All other such taxes shall
29 appear on the second property tax bill along with county purposes
30 property taxes, school purposes property taxes, fire district purposes
31 property taxes, and property taxes for any other special district on
32 behalf of which the municipality collects property taxes.

33 (2) A mortgage company making property tax payments on
34 behalf of a taxpayer shall not be required to make separate
35 municipal and non-municipal tax payments to a municipality even
36 though the mortgage company receives two separate property tax
37 bills from a municipality.

38 (3) The Director of the Division of Local Government Services
39 in the Department of Community Affairs shall, pursuant to the
40 "Administrative Procedure Act." P.L.1968, c.410 (C.52:14B-1 et
41 seq.), promulgate such rules and regulations, and design such forms,
42 as are necessary to effectuate the purposes of this subsection.

43 (cf: P.L.2011, c.38, s.5)

44
45 2. (New section) a. The total of the amount of property tax
46 appeal refunds paid by a municipality during a tax year shall be
47 apportioned by the municipal tax collector between the

1 municipality, county, school district, fire districts, and any other
2 taxing district operating within the boundaries of the municipality.

3 b. The tax collector shall send a notice to the county, school
4 district, fire districts, and any other taxing district, setting forth
5 their pro rata share of the property tax appeal refunds paid by the
6 municipality during the tax year, for inclusion into their subsequent
7 annual budgets.

8 c. In the year following the tax year in which the property tax
9 appeal refunds were paid, the municipal tax collector shall deduct
10 the applicable pro rata share from the amounts to be paid to the
11 county and each school district, fire district, and any other taxing
12 district, as required by N.J.S.40A:14-79, R.S.54:4-74, and
13 R.S.54:4-75.

14

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

16 40A:14-79. Upon proper certification pursuant to section 9 of
17 P.L.1979, c.453 (C.40A:14-78.5), the assessor of the municipality
18 in which the fire district is situate shall assess the amount to be
19 raised by taxation to support the district budget against the taxable
20 property therein, in the same manner as municipal taxes are
21 assessed and the said amount shall be assessed, levied and collected
22 at the same time and in the same manner as other municipal taxes.

23 For the purposes of this section:

24 "District tax due" or "tax due" means the total sum of the amount
25 so assessed less the district's proportionate share of the property
26 taxes no longer owed by the municipality pursuant to the blue acres
27 property tax exemption established by subsection b. of section 1 of
28 P.L.2013, c.261 (C.54:4-3.3g) [and] , less any applicable credit
29 established by subsection e. of section 1 of P.L.2013, c.261 (C.54:4-
30 3.3g) plus the district's proportionate share of the property taxes
31 refunded by the municipality in the preceding tax year pursuant to
32 subsection a. of section 2 of P.L. . c. (C.) (pending before
33 the Legislature as this bill).

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

45 Notwithstanding anything herein to the contrary, the municipal
46 governing body may authorize, in the cash management plan
47 adopted by it pursuant to N.J.S.40A:5-14, a schedule of payments
48 of fire district tax due by which an amount greater than required on

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

8 The commissioners may also pay back, or cause to be paid back
9 to such municipality, any funds or any part thereof paid to the
10 treasurer or custodian of funds of such fire district by the collector
11 or treasurer of the municipality, representing taxes levied for fire
12 district purposes but not actually collected in cash by said collector
13 or treasurer.
14 (cf: P.L.2013, c.261, s.2)

15
16 4. R.S.54:4-74 is amended to read as follows:
17 54:4-74. For the purpose of this section:

18 "County tax due" or "tax due" means the total sum of the amount
19 so assessed less the county's proportionate share of the property
20 taxes no longer owed by the municipality pursuant to the blue acres
21 property tax exemption established by subsection b. of section 1 of
22 P.L.2013, c.261 (C.54:4-3.3g) [and] , less any applicable credit
23 established by subsection e. of section 1 of P.L.2013, c.261 (C.54:4-
24 3.3g) plus the district's proportionate share of the property taxes
25 refunded by the municipality in the preceding tax year pursuant to
26 subsection a. of section 2 of P.L. , c. (C.) (pending before
27 the Legislature as this bill).

28 The governing body of each municipality shall cause to be paid
29 to the treasurer of the county, in four installments, the amount of
30 county tax due, and the other county taxes required to be assessed
31 and raised in such municipality, on the fifteenth day of the month in
32 which each installment of taxes shall become payable, except, that
33 in those years when the third installment has been determined by
34 the tax collector to be due after August 10, the installment shall be
35 due no later than five days after the twenty-fifth day from when the
36 tax bill was mailed or otherwise delivered pursuant to subsection a.
37 of R.S.54:4-64, but no later than September 15. The amount to be
38 payable as each of the first two installments shall be one-quarter of
39 the total county tax due and one-quarter of the other total county
40 taxes finally levied against the municipality for the preceding year,
41 and the amount to be payable for the third and fourth installments
42 shall be the county tax due, and for the other county taxes the full
43 tax as levied, for the current year, less the amount charged as the
44 first and second installments. The total amount thus found to be
45 payable as the last two installments shall be divided equally for and
46 as each installment. The governing body of each municipality shall
47 cause to be paid to the county treasurer on December fifteenth of
48 each year all of the taxes required to be assessed and raised by

1 taxation in such taxing district for State school and other State
2 purposes.

3 (cf: P.L.2013, c.261, s.3)

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

6 54:4-75. For the purpose of this section:

7 "School tax due" or "tax due" means the total sum of the amount
8 so assessed less the school district's proportionate share of the
9 property taxes no longer owed by the municipality pursuant to the
10 blue acres property tax exemption established by subsection b. of
11 section 1 of P.L.2013, c.261 (C.54:4-3.3g) [and] , less any
12 applicable credit established by subsection e. of section 1 of
13 P.L.2013, c.261 (C.54:4-3.3g) plus the district's proportionate share
14 of the property taxes refunded by the municipality in the preceding
15 tax year pursuant to subsection a. of section 2 of P.L. ,
16 c. (C.) (pending before the Legislature as this bill).

17 The governing body of each municipality shall pay over to the
18 board secretary or treasurer of school moneys, as appropriate, in the
19 case of school districts in which appropriations for school purposes
20 are made by the inhabitants of the school district, within forty days
21 after the beginning of the school year, twenty per centum (20%) of
22 the moneys from school tax due, and thereafter, but prior to the last
23 day of the school year, the balance of the moneys from school tax
24 due for school purposes in such amounts as may be requested from
25 time to time by the Board of Education, within thirty days after
26 each request. The Board of Education shall not request any more
27 money at any one time than shall be required for its expenditures
28 for a period of eight weeks in advance; provided, however, that the
29 Board of Education may at any time, but not earlier than fifteen
30 days prior to the beginning of the school year, request sufficient
31 moneys to meet all interest and debt redemption charges maturing
32 during the first forty days of the school year. The governing body
33 may make payments of such moneys in advance of the time and in
34 excess of the amounts required by this section. Notwithstanding
35 provisions of this section to the contrary, in those years when the
36 third installment of property taxes has been determined by the tax
37 collector to be due after August 10, the installment shall be due no
38 later than five days after the twenty-fifth day from when the tax bill
39 was mailed or otherwise delivered pursuant to subsection a. of
40 R.S.54:4-64, but no later than September 1.

41 (cf: P.L.2013, c.261, s.4)

42
43 6. This act shall take effect immediately but subparagraphs (1)
44 and (2) of subsection f. of section 1 of this act shall remain
45 inoperative until January 1 next following enactment.

STATEMENT

1

2

3 This bill is designated the "Transparent Tax Act of 2015." It is
4 intended to provide clarity to local property taxpayers and to share
5 the burden of assessment appeal refunds between all local taxing
6 districts.

7 Specifically, sections 1 and 2 of this bill would allow
8 municipalities, upon adoption of a resolution by the governing
9 body, to send to each property taxpayer two separate tax bills, one
10 indicating the amount due and payable for municipal purposes
11 property taxes, and the other indicating the amount due and payable
12 for county purposes property taxes, school purposes property taxes,
13 fire district purposes property taxes and any appropriate special
14 district taxes, less any property tax deductions that are permitted by
15 law.

16 A mortgage company making property tax payments on behalf of
17 a taxpayer would not be required to make separate municipal and
18 non-municipal tax payments to a municipality even though the
19 mortgage company received two separate property tax bills from a
20 municipality.

21 Those municipalities which choose not to send out two separate
22 tax bills would be required to continue sending out one tax bill that
23 indicates the amount of tax to be paid for municipal, county, school,
24 fire district, and other special district purposes as provided in
25 R.S.54:4-65.

26 It is the sponsor's intent that this provision will remind
27 municipal property taxpayers that while a municipality, by law, is
28 charged with the responsibility to issue property tax bills on behalf
29 of not only itself, but all taxing districts (county, school district, fire
30 district, etc.), the amount of property taxes attributable to municipal
31 purposes generally does not make up the largest portion of the
32 property tax bill.

33 Sections 3 through 6 of this bill would require county
34 governments, school districts, fire districts and other taxing districts
35 to share in the burden of paying for property tax refunds. Under
36 current law, only the county shares in this burden with
37 municipalities through the county tax equalization process. The bill
38 requires the municipal tax collector to send a notice of the pro rata
39 share of the property tax appeal refunds paid by the municipality
40 during the tax year to the county, school districts and fire districts
41 for inclusion into their annual budgets. In the year following the
42 tax year in which the refunds were paid, the municipal tax collector
43 is then required to deduct the applicable pro rata share of the
44 property tax refunds from the amounts to be paid to the county and
45 each school district and fire district as required by N.J.S.40A:14-79,
46 R.S.54:4-74 and R.S.54:4-75.

47 It is intended that this provision will ease the burden of property
48 assessment appeal refunds on municipal budgets by spreading the

- 1 amount of a taxpayer refund proportionately between all taxing
- 2 districts on behalf of which a municipality collects property taxes.