

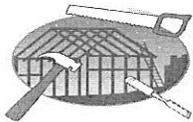
GENERAL ABATEMENT AND EXEMPTION INFORMATION

Exemptions/Abatements must be implemented by municipal enabling ordinance.

Abatements represent that portion of the assessed value of a property as it existed prior to construction, improvement or conversion. Exemptions represent that portion of the assessor's full and true value of any improvement, conversion alteration, or construction not regarded as increasing the taxable value of a property.

5 YEAR ABATEMENT AND EXEMPTION LAW N.J.S.A. 40A:21-1, P.L. 1991, c. 441 et seq.

This law consolidates the provisions for exemptions and abatements for improvements to one and two family homes, multiple dwellings and commercial/industrial buildings. At least part of the municipality must be determined to be an "area in need of rehabilitation" by resolution of local governing body. Claim Form EA-1 must be filed with assessor within 30 days of completion of the improvement, conversion alteration or construction.



ONE AND TWO FAMILY DWELLINGS

Exemption amounts for improvements to one/two family dwellings must be \$5,000, \$15,000 or \$25,000 of taxable value. **Abatements** cannot exceed 30% of the exemption amount. An existing one/two family dwelling must be more than 20 years old to be eligible. **New construction** - Optional provisions may be specified for exemption of some portion of assessed value of new dwelling construction or the conversion of other buildings and structures to dwelling use. **Abatements** may be allowed up to 30% of the cost of the new construction or conversion alteration, provided that the total abatement granted over the five year abatement period does not exceed the full cost of construction/conversion.

MULTIPLE DWELLINGS - An amount up to the assessor's true value of improvements or conversion alterations may be **exempt** for multiple dwellings. **Abatement** of up to 30% of assessed value prior to improvement/conversion is available, provided that the total abatement granted over the five year abatement period does not exceed the full cost of construction/conversion. Tax agreements for new multi-dwelling construction may require **payments in lieu of taxes** per statutory formula.

COMMERCIAL and/or INDUSTRIAL STRUCTURES - An amount of up to the true value of improvements, as determined by the assessor, may be exempt. Tax agreements for exemption and abatement of new commercial and industrial construction must be authorized by ordinance. Such agreements provide for **payments in lieu of taxes** per statutory formula.

URBAN ENTERPRISE ZONE (UEZ) RESIDENTIAL TAX ABATEMENT LAW

N.J.S.A. 54:4-3.139 et seq., P.L. 1989, c.207

This law provides for five-year tax abatements to existing and newly constructed residential properties and non-residential structures converted to residential use in municipalities with urban enterprise zones.

Only "qualified residential property" is eligible for UEZ abatement. Land, commercial and industrial property is not eligible. The improvement value of qualified residential property is exempt. Land is taxable.

Each approved abatement shall have an agreement between the qualified municipality and the applicant to provide for the applicant to make payments in lieu of real property taxes. If the property is not owner occupied, an additional 1% is added to in lieu of tax payments.

Written application must be made to the assessor within 30 days following completion of the improvements or conversion alteration.

OTHER EXEMPTIONS/ABATEMENTS LOCAL REDEVELOPMENT & HOUSING LAW

N.J.S.A. 40A:12A-1 et seq., P.L. 1992, c.79

Call 609-292-7842 for more information.

LONG-TERM TAX EXEMPTION LAW

N.J.S.A. 40A:20-1 et seq., P.L. 1991, c.431

Call 609-292-7842 for more information.

ENVIRONMENTAL OPPORTUNITY ZONE ACT

N.J.S.A. 54:4-3.150 et seq. P.L. 1995, c.413

Call 609-292-1250 for more information.

MORTGAGE FINANCE AGENCY PROJECT TAX EXEMPTION LAW

N.J.S.A. 55:14K-37 P.L. 1983, c.530

Call 609-278-7400 for more information.

HOMESTEAD BENEFIT PROGRAM

NJ residents who owned and occupied a home in NJ that was their principal residence on October 1, 2012 – provided property taxes were paid and income limits met – may be eligible. You are not eligible if you are not required to pay property taxes on your home. Tenants will not receive a rebate for 2012. Call the Homestead Benefit Hotline at 1-888-238-1233 for further assistance.

PROPERTY TAX DEDUCTION/CREDIT

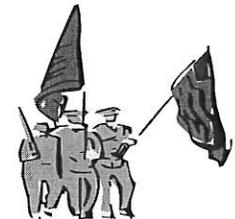
Homeowners and tenants who paid property taxes on their principal residence in NJ either directly or through rent during the year may be eligible. The benefit is either (a) deduction from taxable income of the total amount of property taxes paid on principal residence (for tenants, 18% of rent) or \$15,000, whichever is less; or (b) \$50 refundable credit. Call 609-292-6400 for more information.

PROPERTY TAX REIMBURSEMENT (FREEZE)

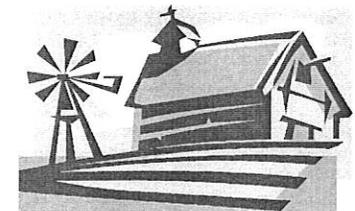
Homeowners, including owners of mobile homes located in mobile home parks, age 65 or older, or receiving Social Security disability benefits, who paid property taxes on their principal residence in New Jersey directly or through mobile home park site fees may be eligible. Applicants must be NJ residents for at least the past 10 years, lived in the home for which reimbursement is claimed for at least the last 3 years, and meet certain income limits. Applicants must meet all requirements for both the base year and the reimbursement year. Call 1-800-882-6597 for more information.

**Budgetary restrictions may affect these programs.*

NEW JERSEY PROPERTY TAX BENEFITS



Are you eligible?



Rev. 7/18

www.state.nj.us/treasury/taxation/