April 28, 2020

Governor issues Executive Order Permitting Extension of May 1 Property Tax Payment Grace Period

Today Governor Murphy issued Executive Order 130 which permits a governing body to adopt a resolution extending the grace period for the May 1 property tax payment. The grace period cannot go later than June 1, 2020. A copy of the resolution must be filed with the Division of Local Government Services. Please note if you are a State Fiscal Year municipality that extends the grace period you will not be able to hold an accelerated tax sale with respect to the installation of the 4th quarter property taxes.

In addition, the Executive Order prohibits a municipality or county from enacting or enforcing a resolution, ordinance or order that conflicts with Executive Order 130. This includes any resolution adopted that provided an additional extension of the May 1 property tax payment, a grace period, or attempted to otherwise temporarily fix, reduce or retroactively modify the interest rate.

Finally, the Executive Order has suspended the provisions of N.J.S.A. 54:4-67(a), 54:4-66(a) and 54:4-66.1 for the duration of the COVID-19 public health emergency.

The Executive Order did not extend the statutory deadlines to remit the levy to the school district(s) and county. If your municipality is considering adopting a resolution extending the grace period we strongly recommend you review the short-term and long-term implications with your professional staff.

The League is reviewing the Order and analyzing its impacts. We will continue to advise you of any developments.
Contacts:
Lori Buckelew, Sr. Legislative Analyst, lbuckelew@njlm.org, 609-695-3481 x112.

Mike Cerra, Assistant Executive Director, mcerra@njlm.org, 609-695-3481 x120