New Jersey’s Property Tax Relief Programs

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Alexis Reid, Instructor
Taxation University
Property Tax Relief Programs

• Homestead Benefit
  • Homeowners Only

• Property Tax Reimbursement
  • Homeowners
  • Mobile Home Owners

• Local Property Tax Relief
  • Senior Deduction
  • Veteran’s Deduction
  • 100% Disabled Veterans
Homestead Benefit
Homestead Benefit
Qualifications Remain the Same

• Owned/Occupied Residence

• Gross Income Limits
  • $150,000 – 65/Over or Disabled
  • $75,000 – Everyone Else
# Benefit Calculation

## 65/over or Disabled

<table>
<thead>
<tr>
<th>If your 2015 New Jersey Gross Income* is...</th>
<th>Your benefit payment**, according to the FY2018 Budget appropriation is calculated by ...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $100,000</td>
<td>Multiplying the amount of your 2006 Property Taxes paid (up to $10,000) by 5%</td>
</tr>
<tr>
<td>Over $100,000 But not over $150,000</td>
<td>Multiplying the amount of your 2006 Property Taxes paid (up to $10,000) by 2.5%</td>
</tr>
<tr>
<td>Over $150,000</td>
<td>Not eligible</td>
</tr>
</tbody>
</table>

## Everyone Else

<table>
<thead>
<tr>
<th>If your 2015 New Jersey Gross Income* is...</th>
<th>Your benefit payment**, according to the FY2018 Budget appropriation is calculated by ...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $50,000</td>
<td>Multiplying the amount of your 2006 Property Taxes paid (up to $10,000) by 5%</td>
</tr>
<tr>
<td>Over $50,000 But not over $75,000</td>
<td>Multiplying the amount of your 2006 Property Taxes paid (up to $10,000) by 3.335%</td>
</tr>
<tr>
<td>Over $75,000</td>
<td>Not eligible</td>
</tr>
</tbody>
</table>
Homestead Benefit

• Paid as a Direct Property Tax Credit
  • Shown on Municipal Tax Bill
  • 2015 Paid Beginning May 1

• Certain Filers Receive a Paper Check or Direct Deposit
  • Continuing Care Community
  • Co-op Housing Complex
  • Certain Estates
  • Sold Residence
On October 1, 2015, I owned and occupied a home in New Jersey as my principal residence. If “No,” STOP. You are not eligible for a benefit as a homeowner and you should not file this application.

9a. Were you age 65 or older on December 31, 2015? Yourself: Yes □ No □ Spouse/CU Partner: Yes □ No □

9b. Were you blind or disabled on December 31, 2015? Yourself: Yes □ No □ Spouse/CU Partner: Yes □ No □ Proof of age or disability is required if you fill in “Yes” for yourself and/or spouse/CU partner at 9a or 9b. See instruction page 4.

10. Enter the amount of 2015 New Jersey Gross Income. See instructions on reverse. 10 □

11. Fill in the oval on this line if: (a) You did not receive an application packet containing an Identification Number and PIN for the home that was your principal residence on October 1, 2015, or (b) the name on the application packet that you did receive is not yours, or (c) the name on the application you received needs to be changed for any reason. □ Widow(er)/Surviving CU Partners, see instruction page 1.

12. TYPE OF RESIDENCE. If your home was a unit in a Co-op or a Continuing Care Retirement Facility on October 1, 2015, indicate the type, and enter the name of the building or facility. □ Co-op □ Continuing Care Retirement Facility Name of Co-op or Continuing Care Retirement Facility: ____________________________

13. Enter the address of your principal residence on October 1, 2015, if different from the address above.

Street Address: ____________________________ Municipality: ____________________________

14. Enter the block and lot number of your principal residence on October 1, 2015:

Block: ____________________________ Lot: ____________________________ Qualifier: ____________________________

15a. Did you share ownership of this property with someone who was not your spouse/CU partner? Yes □ No □ See Instruction page 4.

15b. If you answered “Yes,” Indicate the share (percentage) of the property owned by you (and your spouse/CU partner). See instruction page 5.

16a. Did the property for which you are filing this application consist of multiple units? Yes □ No □ See Instruction page 5.

16b. If you answered “Yes,” Indicate the share (percentage) of the property that you (and your spouse/CU partner) used as your principal residence. See instruction page 5.
Who’s Qualified & for How Much?

- Are You a Multi-Owner?
  - With a Spouse
  - With Someone Other than a Spouse
  - Life Tenant

- Is Your Property Multi-Unit?
  - Based on Square Footage
  - No More than 4 Units
  - No More than One Commercial

- If Multi-Owner and Multi-Unit:
  - Use % Occupied

Not a Co-op or Condominium
STATE OF NEW JERSEY
2015 HOMESTEAD BENEFIT APPLICATION (FOR HOMEOWNERS)

If you are married or in a civil union, you must provide information for both spouses/civil union partners, unless you maintain separate residences.

Your Social Security Number

Last Name, First Name and Initial (if applicable; if two names should be filled in, only the first name and initial of each; for example, "Genuis, John M", "Smith, J."

Spouse’s/CU Partner’s Social Security Number

County/Municipality Code (See Table pages 8-9)

Home Address (Number and Street, including apartment number or suite)

City, Town, Post Office State Zip Code

Your Identification Number: ____________

Your PIN: ____________

If you are married or in a civil union, you must provide information for both spouses/civil union partners, unless you maintain separate residences.

Your Birth Year: ____________

Your Spouse’s/CU Partner’s Birth Year: ____________

Your Identification Number: ____________

Your PIN: ____________

If you are married or in a civil union, you must provide information for both spouses/civil union partners, unless you maintain separate residences.

Your Identification Number: ____________

Your PIN: ____________

(If in only one oval)

1. Single
2. Married/CU Couple, filing jointly return
3. Married/CU Partner, filing separately
4. Head of Household
5. Qualifying Widow(er)/Surviving Partner
6. Married/CU Partner, filing separately: each maintains separate residence, both maintain same residence

OWNERSHIP STATUS

7. Do you still own the property for which you are filing this application?

Yes
No

If "No", STOP. You are not eligible for a benefit as a homeowner and you should not file this application.

8. On October 1, 2015, I owned and occupied a home in New Jersey as my principal residence.

Yes
No

If "No", STOP. You are not eligible for a benefit as a homeowner and you should not file this application.

9a. Were you age 65 or older on December 31, 2015?

Yes
No

9b. Were you blind or disabled on December 31, 2015?

Yes
No

9c. Proof of age or disability is required if you filled in "Yes" for yourself and/or spouse/c civil union partner at 9a or 9b. See Instruction page 4.

10. Enter the amount of 2015 New Jersey Gross Income. See instructions on reverse:

10

11. Fill in the oval on this line if: (a) you did not receive an application packet containing an Identification Number and PIN for the home that was your principal residence on October 1, 2015, or (b) the name on the application packet that you did receive is not yours, or (c) the name on the application you received needs to be changed for any reason.

12. TYPE OF RESIDENCE. If your home was a unit in a Co-op or a Continuing Care Retirement Facility on October 1, 2015, indicate the type, and enter the name of the building or facility:

Co-op
Continuing Care Retirement Facility Name of Co-op or Continuing Care Retirement Facility:

13. Enter the address of your principal residence on October 1, 2015, if different from the address above.

Street Address: _____________________________

Municipality: _____________________________

14. Enter the block and lot number of your principal residence on October 1, 2015:

Block _____________________________
Lot _____________________________

15a. Did you share ownership of this property with someone who was not your spouse/c civil union partner?

Yes
No

See Instruction page 4.

b. If you answered "Yes," indicate the share (percentage) of the property owned by you (and your spouse/c civil union partner). See Instruction page 5.

15b. Did the property for which you are filing this application consist of multiple units? See Instruction page 5.

Yes
No

b. If you answered "Yes," indicate the share (percentage) of the property that you (and your spouse/c civil union partner) used as your principal residence. See Instruction page 5.
Senior Freeze
Property Tax Reimbursement
Property Tax Reimbursement

Eligibility Guidelines

• Age 65/older or Receiving Social Security Disability
  • By 12/31/16

• Lived in New Jersey for 10 Years
  • Since 12/31/06

• Owned and Lived in the Home for 3 Years
  • Since 12/31/13

• Property Taxes Paid
  • Homeowners: By June 1st of the Following Year
  • Mobile Home Owners: By December 31st
Property Tax Reimbursement

- Effective PTR Application Year 2007
  - Paid in Full by 6/1 of Subsequent Year

- Application Years 2006 and Prior
  - Paid in Full by 12/31 of Each Year

- Mobile Home Owners
  - Site Fees Due 12/31
Property Tax Reimbursement

Income Eligibility Limits

- 2016
  - Single/Married $87,007

- 2017
  - Single/Married $87,268

Subject to change by the State Budget.
State Budget - Income Limits

2016 Income Limit Change

• Income Over $87,007
  • Not qualified

• Income Between $70,000 and $87,007
  • No Reimbursement Check
  • Keep Base Year
  • 2017 PTR-2 Application

Applicants with Income Under the Original Income Limit Should Always File.
Income Limits

Includes Most Gross Income Categories

• Social Security
• Unemployment
• Military Pension
• New Jersey Lottery Winnings
PTR Pension Treatment

• Changes to Treatment of Pension Income

• New Jersey Taxable Pension (Line 19a, Form NJ-1040)

• Include Tax Exempt Retirement Income
  • US Military Pension
  • Disability Pension
  • Roth IRA
## Deadline Information

- **2017 PTR Application Deadline**
  - Deadline: October 31, 2018

- **Reimbursement Checks**

<table>
<thead>
<tr>
<th>When Did You Send Your Application?</th>
<th>Check Issued on or Before</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before May 1, 2018</td>
<td>July 15, 2018</td>
</tr>
<tr>
<td>Between May 2 – June 1, 2018</td>
<td>Sept. 1, 2018</td>
</tr>
<tr>
<td>Between June 2 – Sept. 1, 2018</td>
<td>Nov. 1, 2018</td>
</tr>
<tr>
<td>Between Sept. 2 – Oct. 31, 2018</td>
<td>Dec. 1, 2018</td>
</tr>
</tbody>
</table>
First Time Filers

Form PTR-1
• Establishes 2016 and 2017 Eligibility
• Reserves Base Year at 2016 Level
• Difference of 2017 & 2016 Taxes

Proof of Property Taxes Paid Must be Included with all PTR Applications
2nd Year and Later Year Filers

Form PTR-2
• Comes Pre-Printed with Base Year
• Verifies 2017 Eligibility
• Difference of 2017 and Base Year
Base Year Changes

• Income Exceeds the Original Limit
  • Re-establish at the Lower Amount

• Property Taxes Go Below Base Amount
  • Re-establish at the Lower Amount

• Certain Assessment Changes

• Applicant Moves
Reevaluations & Reassessments

• Reevaluations – Increased or Decreased Property Tax
  • Use the Reevaluated Amount

• Added Assessments – Increased Property Value
  • Results in an Adjusted Base Year
  • Added Assessment Included in Base Year and Current Year
Appealed Assessment

• Results-Increase or Decrease of Property Taxes
  • Applicant must notify Division of the Property Tax Change

• File Amended Property Tax Reimbursement Application
  • Greater Reimbursement: Division Issues Check for the Difference
  • Lesser reimbursement: Applicant Required to Pay Difference

*Tax Collector – Check the Box on Part II of PTR-1A/2A., if there was a tax appeal.*
Form PTR-1A

Homeowners
Verification of 2016 and 2017 Property Taxes
(Use blue or black ink. See instructions for completion on back.)

Part I – To Be Completed by Applicant (Part II to be completed by tax collector)

Social Security #

Name

Last Name, First Name, and Initial (Last name enter full name and initial of each - Enter spouse/COU partner’s last name ONLY if different)

Address

Street

City

State

Zip Code

Block

Lot

Square

A. Did you own this property with someone who was not your spouse/CU partner?

Yes

No

B. If yes, indicate the share (percentage) of property that you (and your spouse/CU partner) owned.

\[ \% \]

C. Did this property consist of multiple units?

Yes

No

D. If yes, indicate the share (percentage) of property used as your principal residence.

\[ \% \]

Part II – To Be Completed by Tax Collector

2016 Property Taxes

Check box if property had a tax appeal for 2016

\[ \square \]

Check box if property had an added assessment for 2016

\[ \square \]

1. Assessed Value

\$_____

2. Tax Rate (including fire and other special tax rates)

\[ \% \]

3. Total Property Taxes

(Multiply Line 1 by Line 2)

\$_____

4. REAP Credit (if any)

\$_____

5. Enter amount from Line 3. If applicant answered “Yes” to Questions A and/or C above you must support the amount on Line 3 when completing this line. (See instructions on back)

\$_____

Homeowners, enter this amount on Line 14 of your Form PTR-1

2017 Property Taxes

Check box if property had a tax appeal for 2017

\[ \square \]

Check box if property had an added assessment for 2017

\[ \square \]

1. Assessed Value

\$_____

2. Tax Rate (including fire and other special tax rates)

\[ \% \]

3. Total Property Taxes

(Multiply Line 1 by Line 2)

\$_____

4. REAP Credit (if any)

\$_____

5. Enter amount from Line 3. If applicant answered “Yes” to Questions A and/or C above you must support the amount on Line 3 when completing this line. (See instructions on back)

\$_____

Homeowners, enter this amount on Line 13 of your Form PTR-1

Under the penalties of perjury, I certify that I am the local tax collector of where the above property is located. I further certify that the above-stated amounts of property taxes due were paid for calendar years 2016 and 2017 and are true and correct to the best of my knowledge. I have placed my stamp below for verification.

(Name)

(Date)

(Title)

(If you complete this form, be sure to enclose it with your Form PTR-1 application.)
Form PTR-1-C

• Applicant Relocates
  • Already Enrolled in the Program
  • Relocates to another New Jersey Residence

• Establish Eligibility After 2 Years
  • Division Sends Automatically
  • Contact the Division for the Form
Property Tax Proof

- Homeowner’s Verification Forms:
  - PTR-1A/B – First Time Filers
  - PTR-2A/B – Second and Later Years

- Copies of Final Property Tax Bills
  - Copies of Canceled Checks
  - Copies of Form 1098
  - Not easy!
Form PTR-1A
Homeowners
Verification of 2016 and 2017 Property Taxes
(Use blue or black ink. See instructions for completion on back.)

Part I – To Be Completed by Applicant (Part II to be completed by tax collector)

Social Security #  
Spouse/CU Partner’s Social Security #  

Name  
Last Name, First Name, and Initial (Last line, enter first name and initial of each - if more than one spouse/CU partner’s last name ONLY if different)  
Address  
Street  
City  
State  
Zip Code  
Block  
Lot  
Quality  

<table>
<thead>
<tr>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A. Did you own this property with someone who was not your spouse/CU partner?  
Yes ☐ No ☐  
Yes ☐ No ☐  

B. If yes, indicate the share (percentage) of property that you (and your spouse/CU partner) owned.  
☐ %  
☐ %  

C. Did this property consist of multiple units?  
Yes ☐ No ☐  
Yes ☐ No ☐  

D. If yes, indicate the share (percentage) of property used as your principal residence.  
☐ %  
☐ %  

Part II – To Be Completed by Tax Collector

2016 Property Taxes  
Check box if property had a tax appeal for 2016 ☐  
Check box if property had an added assessment for 2016 ☐  

1. Assessed Value  
$  

2. Tax Rate (including fire and other special tax rates)  
%  

3. Total Property Taxes  
(Multiply Line 1 by Line 2)  
$  

4. REAP Credit (if any)  
$  

5. Enter amount from Line 3. If applicant answered “Yes” to Questions A and/or C above, you must subtract the amount on Line 3 when completing this line. (See instructions on back.)  
$  

Homeowners, enter this amount on Line 14 of your Form PTR-1

2017 Property Taxes  
Check box if property had a tax appeal for 2017 ☐  
Check box if property had an added assessment for 2017 ☐  

1. Assessed Value  
$  

2. Tax Rate (including fire and other special tax rates)  
%  

3. Total Property Taxes  
(Multiply Line 1 by Line 2)  
$  

4. REAP Credit (if any)  
$  

5. Enter amount from Line 3. If applicant answered “Yes” to Questions A and/or C above, you must subtract the amount on Line 3 when completing this line. (See instructions on back.)  
$  

Homeowners, enter this amount on Line 13 of your Form PTR-1

Under the penalties of perjury, I certify that I am the local tax collector of  
where the above property is located. I further certify that the above-stated amounts of property taxes due were paid for calendar years 2016 and 2017 and are true and accurate to the best of my knowledge. I have placed my stamp below for verification.

(Name)  
(Date)  

(Title)

(If you complete this form, be sure to enclose it with your Form PTR-1 application.)
What if Someone Forgets to File?

- Eligible Homeowners May File Prior Year Applications
  - We Won’t Pay Prior Year Reimbursements

- We Will Give a Base Year for the Oldest Eligible Filing

- Applicants Use Form PTR-1 to File Prior Years

- Will Also Need Proof of Property Taxes
Budgetary Approval

• All Property Tax Relief Benefits are Subject to Change

• NJ FY 2019 Budget
  • Passed July 1, 2018
Out of State Residents
Letter of Ineligibility for Out-of-State Residents

• Complete “Request for a Letter of Property Tax Relief Ineligibility” Form

• Available on Division’s Website at: http://www.state.nj.us/treasury/taxation/ineligibility.shtml

• Mail Completed Form to the Division
Request for a Letter of Property Tax Relief Ineligibility – Out-of-State Residents:

Please fully complete this form and mail it to the address listed in the bottom right hand corner.

Last name, First name (If married include spouse’s/CU Partner’s name):

________________________________________

Social security number (If married include spouse’s/CU Partner’s social security number):

___-___-____

Previous New Jersey address:

________________________________________

Current mailing address:

________________________________________

Exact date New Jersey residency ended: _____/____/____

What State do you reside in? __________________________

Start date of current State Residency: _____/____/____

Under penalties of perjury, I declare that I am not eligible for benefits under any of New Jersey’s property tax relief programs.

Your signature Date

________________________________________

Sponsor/CU Partner’s signature Date

Mail to:
New Jersey Division of Taxation
ATTN: Property Tax Relief Programs Unit
PO Box 266
Trenton, NJ 08605-0266
Local Property Tax Relief
Local Property Tax Relief

- Administered by the Local Municipality
- Visit the Division’s Website for Applications
- Contact the Division’s Local Property Branch for Questions
Military Property Tax Defeormanent

• Resident Deployed for Active Wartime Service
  • All Branches of the Military

• Property Only Owned by Deployed Military Resident

• Property Taxes Paid by State
  • Military Resident Must Repay
  • Paid in Full: 90 Days After Last Day of Deployment
  • Local Tax Office Refunds the State

• Apply with Local Tax Office
Local Property Tax Relief

- Annual Deduction for Senior Citizens, Disabled Persons
  - Available to Surviving Spouse/Civil Union

- Annual Deduction for Veterans
  - Available to Surviving Spouse/Civil Union or Domestic Partner
  - New Active Wartime Service Period
    - World Trade Center Rescue & Recovery

- Property Tax Exemption for Disabled Veterans
  - Available to Surviving Spouse/Civil Union or Domestic Partner

File Completed Forms with the Municipal Tax Assessor.
Contact Information

- **Assistance for Local Government**
  - Local Property Branch
    - 609-292-7813
    - [www.njtaxation.org](http://www.njtaxation.org) - Local Property Tax Link
  - Legislative Hotline
    - 609-633-8433

- **Assistance for the Public**
  - Homestead Benefit
    - 1-888-238-1233
  - Property Tax Reimbursement
    - 1-800-882-6597
Contact Information

Taxation University
• 609-633-6015
• outreach.tax@treas.nj.gov
• www.njtaxation.org

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