ASSEMBLY, No. 2679

STATE OF NEW JERSEY

214th LEGISLATURE

INTRODUCED MAY 13, 2010

Sponsored by:
Assemblyman UPENDRA J. CHIVUKULA
District 17 (Middlesex and Somerset)
Assemblywoman VALERIE VAINIERI HUTTLE
District 37 (Bergen)

Co-Sponsored by:
Assemblyman McKeon and Assemblywoman Handlin

SYNOPSIS

Provides dedicated line item on property tax bill for the support of municipal free public libraries and joint free public libraries.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 10/8/2010)

AN ACT concerning the funding of free public libraries and joint free public libraries and amending various sections of statutory law.

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

1. R.S.40:54-8 is amended to read as follows:

40:54-8. **[**The governing body or appropriate board of**]** Within every municipality governed by this article there shall annually **[**appropriate and raise**]** be raised by taxation a sum equal to one-third of a mill on every dollar of assessable property within such municipality based on the equalized valuation of such property as certified by the Director of the Division of Taxation in the Department of the Treasury in accordance with the provisions of R.S.54:4-49. The amount shall be assessed, levied and collected in the same manner and at the same time as other municipal purposes taxes are assessed, levied and collected therein and shall be paid over to the disbursing officer of the free public library at the times annual appropriations for other departments of the municipality are paid over.

Such additional sum, as in the judgment of **[**such**]** the municipal governing body or appropriate board of the municipality, is necessary for the proper maintenance of a free public library, may be appropriated and raised by taxation, annually.

(cf: P.L.1985, c.541, s.1)

2. Section 14 of P.L.1959, c.155 (C.40:54-29.16) is amended to read as follows:

14. The board of trustees of the joint library shall, not later than December 1 of each year, certify to the respective municipalities the sum required for the operation of the joint library for the ensuing year and the share of such sum to be borne by the taxpayers in each of the municipalities in accordance with the method of apportionment provided in the joint library agreement. If the governing body of any of the municipalities objects to the amount or apportionment so certified, it shall forthwith call a joint meeting of the governing bodies and the board of trustees for the purpose of adjusting and settling any differences. If the governing bodies of such municipalities cannot agree, the matter shall be referred to the Director of the Division of Local Government Services in the Department of Community Affairs for determination.

(cf: P.L.1959, c.155, s.14)

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.

3. Section 15 of P.L.1959, c.155 (C.40:54-29.17) is amended to read as follows:

15. Each municipality shall [appropriate] , with respect to its proportionate share of the sum so certified or agreed upon [or determined in its annual budget], shall raise the same by taxation, and shall pay over said share to the disbursing officer of the joint library at the times annual appropriations for other departments of the municipality are paid over. Operations under the budget and related matters shall be subject to and in accordance with rules of the [local government board] Local Finance Board in the Department of Community Affairs.

(cf: P.L.1959, c.155, s.15)

4. Section 16 of P.L.1959, c.155 (C.40:54-29.18) is amended to read as follows:

16. [Each municipality shall appropriate its] The proportionate share of the sum so certified or agreed upon or determined in its annual budget, shall [raise the same] be raised by taxation, pursuant to the provisions of R.S.54:4-49, and shall [pay] be paid over [said share] to the disbursing officer of the joint library at the times annual appropriations for other departments of the municipality are paid over. The amount thus agreed upon shall be assessed, levied, and collected in the same manner and at the same time as other municipal purposes taxes are assessed, levied and collected. Operations under the budget and related matters shall be subject to and in accordance with rules of the [local government board] Local Finance Board in the Department of Community Affairs.

(cf: P.L.1959, c.155, s.16)

5. R.S.54:4-49 is amended to read as follows:

54:4-49. (a) Except as to any State tax at a fixed rate provided for in sections 54:4-50 and 54:4-51 of this Title, each county board of taxation, after having received the tax lists and duplicates of the assessors and having revised and corrected the same and having equalized the aggregate valuations of all the real property in the respective taxing districts, as required by R.S.54:3-17 to 54:3-19, shall, after making adjustments for the debits and credits hereinafter mentioned, apportion the amount to be raised in the respective taxing districts for State, State school, county [and], free county library, free public library, and joint free public library purposes and for purposes of consolidated school districts and school districts comprising two or more taxing districts, on the basis of the total valuation so ascertained for each taxing district. The total valuation for each taxing district, so ascertained, shall be known as the "apportionment valuation."

(b) The amount to be apportioned among the respective taxing districts shall be the amount to be raised for the purposes specified in subsection (a), plus or minus the difference between the total debits and total credits of the taxing districts affected, determined as provided in subsection (c). The net amounts respectively to be raised, after making allowance to the affected districts for the debits and credits, shall be equivalent to the amount required for each of the purposes specified in subsection (a).

(c) The net debit or credit of each taxing district shall be the amount by which the taxing district has overpaid or underpaid its share of the specific tax or taxes for the purposes specified in subsection (a) for the preceding year or years because of increases or decreases in the amount of the assessments of the district subsequent to the apportionment in the preceding year or years by reason of final judgments on appeals, complaints and applications, the correction of clerical errors under R.S.54:4-53 and the allowance of additional veterans' exemptions or deductions during the prior tax year by the collector pursuant to law. When an assessment has been reduced or added to, or increased, on appeal, complaint or other application, and the judgment on that appeal, complaint or other application has been further appealed, no deduction or increase as herein provided for shall be made with respect to the appealed assessment until the further appeal has been finally determined.

(d) So that there shall be uniformity of application and treatment under this section in all of the counties, the Director, Division of Taxation, shall issue regulations for the guidance of the county boards of taxation in the determination of the apportionment valuations, the amounts to be apportioned and the amounts of the debits and credits.

(cf: P.L.1975, c.212, s.38)

6. R.S.54:4-65 is amended to read as follows:

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

b. (1) Each tax bill shall have printed thereon a brief tabulation showing the distribution of the amount raised by taxation in the taxing district, in such form as to disclose the rate per $100.00 of assessed valuation or the number of cents in each dollar paid by the taxpayer which is to be used for the payment of State school taxes, other State taxes, county taxes, local school expenditures<u>, free public library taxes,</u> and other local expenditures. The last named item may be further subdivided so as to show the amount for each of the several departments of the municipal government. In lieu of printing such information on the tax bill, any municipality may furnish the tabulation required hereunder and any other pertinent

information in a statement accompanying the mailing or delivery of the tax bill.

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

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

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

d. The tax bill or form mailed with the tax bill shall include thereon the date upon which each installment is due.

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

(cf: P.L.2007, c.62, s.34)

7. This act shall take effect immediately.

STATEMENT

This bill would require municipalities in which a free public library is located or that belong to a joint municipal library to provide for a dedicated library purposes tax on the property tax bill. Under current law, property taxpayers in a municipality which belongs to a county library receive property tax bills which include a line item showing the amount the taxpayer is paying to support the county library. The bills would remove the appropriations for municipal libraries and joint municipal libraries from a municipality's general fund and provide a dedicated line item on the property tax bill.