

CHAPTER 27

**\$250.00 PROPERTY TAX DEDUCTION FOR VETERANS, SURVIVING SPOUSES OF VETERANS, SURVIVING SPOUSES OF SERVICEPERSONS, SURVIVING REGISTERED DOMESTIC PARTNERS OF VETERANS AND SURVIVING REGISTERED DOMESTIC PARTNERS OF SERVICEPERSONS**

**Authority**

N.J.S.A. 54:4-8.19.

**Source and Effective Date**

R.2006 d.378, effective November 6, 2006.  
See: 38 N.J.R. 2098(a), 38 N.J.R. 4739(a).

**Chapter Expiration Date**

In accordance with N.J.S.A. 52:14B-5.1b, Chapter 27, \$250.00 Property Tax Deduction for Veterans, Surviving Spouses of Veterans, Surviving Spouses of Servicepersons, Surviving Registered Domestic Partners of Veterans and Surviving Registered Domestic Partners of Servicepersons, expires on November 6, 2013. See: 43 N.J.R. 1203(a).

**Chapter Historical Note**

Chapter 27, \$250.00 Property Tax Deduction for Veterans, Surviving Spouses of Veterans, Surviving Spouses of Servicepersons, Surviving Registered Domestic Partners of Veterans and Surviving Registered Domestic Partners of Servicepersons, was adopted as new rules by R.2006 d.378, effective November 6, 2006. See: Source and Effective Date.

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**SUBCHAPTER 1. DEFINITIONS**

**18:27-1.1 Words and phrases defined**

The following words and terms when used in this chapter shall have the following meanings unless the context clearly indicates otherwise.

"Active service in time of war" means active service at some time during one of the following periods ("peacekeeping missions" are noted with an asterisk):

<u>Mission</u>	<u>Inception</u>	<u>Termination</u>
Operation Northern/Southern Watch*	August 27, 1992	March 17, 2003
Operation Iraqi Freedom*	March 19, 2003	Ongoing
Operation Enduring Freedom*	September 11, 2001	Ongoing
"Joint Endeavor/Joint Guard" Bosnia and Herzegovina*	November 20, 1995	June 20, 1998
"Restore Hope" Mission Somalia*	December 5, 1992	March 31, 1994
Operation "Desert Shield/Desert Storm" Mission*	August 2, 1990	February 28, 1991
Panama Peacekeeping Mission*	December 20, 1989	January 31, 1990
Grenada Peacekeeping Mission*	October 23, 1983	November 21, 1983
Lebanon Peacekeeping Mission*	September 26, 1982	December 1, 1987
Vietnam Conflict	December 31, 1960	May 7, 1975
Lebanon Crisis of 1958*	July 1, 1958	November 1, 1958
Korean Conflict	June 23, 1950	January 31, 1955
World War II	September 16, 1940	December 31, 1946
World War I	April 6, 1917	November 11, 1918

1. Peacekeeping missions require a minimum of 14 days service in the actual combat zone except where service-incurred injury or disability occurs in the combat

zone, then actual time served though less than 14 days, is sufficient for purposes of property tax deduction. The 14-day requirement for Bosnia and Herzegovina may be met by services in one or both operations for 14 days continuously or in the aggregate. For Bosnia and Herzegovina, combat zone also includes the airspace above those nations.

“Armed Forces” means the land, air and sea forces established by State or Federal laws as applicable.

“Assessor” means the assessor or deputy assessor of a taxing district charged with the duty of assessing real and personal property for the purpose of general taxation.

“Citizenship,” for purposes of this Chapter, means New Jersey State citizenship, while United States citizenship is not required.

“Collector” means the collector or deputy collector or receiver on his behalf of taxes of a taxing district charged with the duty of collecting real property taxes for the purpose of general taxation.

“Cooperative” means a housing corporation or association incorporated or organized under the laws of New Jersey which entitles a shareholder thereof to possess and occupy for dwelling purposes a house, apartment or other structure owned or leased by the corporation or association.

“Director” means the Director of the Division of Taxation.

“Domestic partner” means the lawful domestic partner registered under N.J.S.A. 26:8A-1 et seq., of a veteran or serviceperson defined elsewhere in this subsection where the property ownership is as joint tenants with right of survivorship.

“Domicile” is any place an individual regards as his or her permanent home, the place he or she intends to return to after a period of absence. A person has only one domicile, although he or she may reside in more than one place. Domicile, once established, continues until the individual moves to a new location with the intent to make it his or her permanent home and to abandon his or her prior domicile. Moving to a new location for less than 12 months does not change domicile if the clear intent is to return to New Jersey.

“Honorably discharged or released under honorable circumstances from active service in time of war” means and includes every form of separation from active, full-time duty with military or naval pay and allowances in some branch of the Armed Forces of the United States in time of war, other than those marked “dishonorable,” “undesirable,” “bad conduct,” “by sentence of general court martial,” “by sentence of summary court martial” or similar expression indicating that the discharge or release was not under honorable circumstances. A disenrollment certificate or other form of release terminating temporary service in a military or naval branch of the armed forces rendered on a voluntary and part-time basis

without pay, or a release from or deferment of induction into the active military or naval service shall not be deemed to be honorably discharged.

“Mutual housing corporation” means a corporation not-for-profit incorporated under the laws of New Jersey on a mutual or cooperative basis within the scope of section 607 of the “National Defense Housing Act” (42 U.S.C. §§1512 et seq.), which acquired a National Defense Housing Project pursuant to that act.

“Owner of legal title to the property” means possession of a legal interest in the property, such that the owner has the right to convey title as grantor.

“Pretax year” means the particular calendar year immediately preceding the “tax year.”

“Resident” means one legally domiciled in the State of New Jersey. Seasonal or temporary residence in the State, of whatever duration, shall not constitute domicile in the State for purposes of the deduction. Absence from the State for a period of 12 months shall be prima facie evidence of abandonment of domicile in this State.

“Serviceperson” means a citizen and resident of this State who has performed in active service in time of war in a branch of the Armed Forces of the United States and who dies while on active duty.

“Surviving domestic partner” means the lawful surviving registered domestic partner of a veteran or serviceperson, while a resident of this State, who has not entered into a new registered domestic partnership.

“Surviving spouse” means the surviving lawful wife or husband of any of the following, while a resident of this State, who has remained unmarried, that is, widowed/widowed.

1. A citizen and resident of this State who died or shall die while on active duty in time of war in any branch of the Armed Forces of the United States;
2. A citizen and resident of this State who has had or shall hereafter have active service in time of war in any branch of the Armed Forces of the United States and who died or shall die while on active duty in a branch of the Armed Forces of the United States; or
3. A citizen and resident of this State who has been honorably discharged or released under honorable circumstances from active service in time of war in any branch of the Armed Forces of the United States.

“Tax year” means the particular calendar year in which the general property tax is due and payable.

“Veteran” means any citizen and resident of this State honorably discharged or released under honorable circum-

stances from active service in time of war in a branch of the Armed Forces of the United States.

“Veteran’s deduction” means the deduction against the taxes payable by any person allowable pursuant to P.L. 1963, c. 171, as amended.

## SUBCHAPTER 2. CONDITIONS OF ELIGIBILITY AND QUALIFICATIONS

### 18:27-2.1 Character of the veteran’s property tax deduction

Veterans honorably discharged or released under honorable circumstances from active service in time of war, or the unmarried surviving spouses or surviving domestic partners of such veterans, are granted a tax deduction on the real or personal property, or both, in which they have a legal interest.

### 18:27-2.2 Conditions of eligibility for the veteran’s property tax deduction

(a) To qualify for the property tax deduction, a veteran claimant must meet the following conditions as of October 1 of the pretax year:

1. Be a citizen and resident of New Jersey;
2. Possess an honorable discharge or release under honorable circumstances from active service in time of war in a branch of the United States Armed Forces pursuant to N.J.S.A. 54:4-8.11; and
3. Own legal title to the claimed property or a fractional or partial ownership interest in the property.

(b) A surviving spouse or surviving domestic partner of a deceased veteran claiming deduction must meet the following conditions as of October 1 of the pretax year:

1. Be the surviving lawful wife, husband or domestic partner of a veteran who was honorably discharged from active service in time of war in the United States Armed Forces and who was, at the time of death, a citizen and resident of New Jersey;
2. Remain unmarried or not enter into a new registered domestic partnership;
3. Be a resident of New Jersey; and
4. Own legal title to the claimed property or a fractional or partial ownership interest in the property.

(c) A surviving spouse or surviving domestic partner of a deceased serviceperson claiming deduction must meet the following conditions as of October 1 of the pretax year:

1. Be the surviving lawful wife, husband or domestic partner of a serviceperson who dies while in active service in a branch of the United States Armed Forces in time of

war and who at the time of death was a citizen and resident of New Jersey;

2. Remain unmarried or not enter into a new registered domestic partnership;

3. Be a resident of New Jersey; and

4. Own legal title to the claimed property or a fractional or partial ownership interest in the property.

(e) N.J.S.A. 54:4-8.11 requires that the veteran have had “active service in time of war.” A claimant must clearly establish that the service performed was during one of the periods specified in N.J.A.C. 18:27-1.1. Assessors and collectors should carefully examine the service record (Form DD-214) to verify that service was performed in a statutory specified period and in a qualifying branch of the United States Armed Forces.

### 18:27-2.3 Remarriage; new domestic partnership

(a) A veteran’s widow/widower loses the deduction on remarriage. Divorce of the second spouse does not restore the deduction, but an annulment does.

(b) A veteran’s domestic partner loses the deduction on entering a new registered domestic partnership. Termination of the new domestic partnership does not restore the deduction.

### 18:27-2.4 Citizenship and residency in New Jersey

(a) Only a New Jersey State citizen is eligible for the deduction, but citizenship of the United States is not required.

(b) N.J.S.A. 54:4-8.10(f) equates “residency” with “domicile,” which is that place one regards as his or her true and permanent home. The burden of proving legal domicile in this State is upon the property tax deduction claimant. Absence from the State for a period of 12 months is “prima facie” evidence of abandonment of domicile. A claimant may overcome the presumption of abandonment due to absence from the State by producing convincing evidence that his or her domicile remains in New Jersey.

(c) The surviving spouse or domestic partner of a veteran or serviceperson, though himself or herself a New Jersey resident, is not entitled to the deduction if the veteran, at the time of death, was not a legal resident of New Jersey.

### 18:27-2.5 Honorable discharge

(a) Veteran claimants must be honorably discharged or released from full-time active duty under honorable circumstances to be eligible for the veteran’s deduction.

(b) Military personnel in the armed forces of the United States who remain in continuous military service do not qualify for the property tax deduction.

(c) Re-entry into the military service does not disqualify a claimant for the property tax deduction previously granted on the basis of a prior honorable discharge or discharge under honorable circumstances.

#### 18:27-2.6 Ineligible discharge

(a) A disenrollment certificate or other form of release terminating temporary service in a military or naval branch of the Armed Forces on a voluntary and part-time basis without pay, or a release from or deferment of induction into active air, infantry or naval service shall not be accepted as proof of honorable discharge.

(b) Clemency discharge is a "neutral discharge" according to the United States Department of Justice (DOJ). Although it is not "less than honorable, it is something other than honorable. As such, it does not meet the requirement of honorable discharge pursuant to the DOJ Internal Memo October 18, 1978.

#### 18:27-2.7 Branches of the Armed Forces of the United States

(a) As used in this chapter, "branches of the Armed Forces of the United States" as determined by civilian State and Federal military agencies, such as the New Jersey Department of Military and Veteran's Affairs and the United States Department of Defense, include, but are not limited to:

1. The Air Force;
2. The Army;
3. The Army Transport Command;
4. The Coast Guard;
5. The Marine Corps;
6. The Navy;
7. The Women's Army Corps (as of July 1, 1943); and
8. Regularly established women's auxiliary units of the Coast Guard, Marine Corps, Air Force and Navy, together with nurses, when performing in active service with the above listed military service branches.

(b) Reserve unit personnel, who would qualify for the deduction, when detailed for and in active service in time of war with the branches listed in (a) above are as follows:

1. The Air Force Enlisted Reserve Corps;
2. The Air National Guard of the United States;
3. The Coast Guard Regular Reserve;
4. The Coast Guard Reserve;
5. The Dental Reserve Corps of the Navy;
6. The Enlisted Reserve Corps;

7. The Marine Corps Reserve;
8. The Marine Corps Reserve Force;
9. The Medical Reserve Corps of the Army;
10. The Medical Reserve Corps of the Navy;
11. The National Naval Volunteers;
12. The National Guard of the United States;
13. The Naval Auxiliary Reserve;
14. The Naval Militia;
15. The Naval Reserve;
16. The Naval Reserve Force;
17. The Officers' Reserve Corps of the Air Force;
18. The Officers' Reserve Corps of the Army;
19. The Officers' Reserve Corps of the Navy;
20. The Organized Reserve;
21. The Public Health Service;
22. The Regular Army Reserves;
23. The Reserve Corps of the Public Health Service;
24. The Reserve Officers Training Corps;
25. The Students Army Training Corps;
26. The United States Maritime Services (Merchant Marines) during World War II;
27. The United States Army Transport Service Transportation Corps during World War II; and
28. The United States Naval Transportation Service during World War II.

(c) Subsections (a) and (b) above are not a complete list of units deemed a "branch of the Armed Forces of the United States." Personnel assigned to certain units, though not branches of the Armed Forces, may qualify, provided the unit was detailed for active duty with the Armed Forces of the United States. Assessors and collectors should examine the service record portion of the discharge to ascertain whether the claimant served in such a unit.

#### 18:27-2.8 Ineligible service organizations and individuals

(a) The following organizations and individuals are not part of the Armed Forces of the United States:

1. The American Red Cross;
2. The New Jersey State Guard;
3. The New Jersey State Militia;
4. The Salvation Army;