

(b) When a receipt for payment sent through the mail is requested, the payor must provide the bill, stub, and a self-addressed stamped envelope for the return of the receipt.

(c) Notwithstanding any provision herein to the contrary, at the option of the local tax collector, computer printouts or other electronically generated data formats containing property identification and payment amounts will be accepted for processing in lieu of individual tax bills. Notice to the public of tax collector options shall be provided pursuant to N.J.A.C. 5:33-1.9.

New Rule, R.1992 d.426, effective October 19, 1992.

See: 24 N.J.R. 2766(a), 24 N.J.R. 3723(c).

Public Notice: Tax collection.

See: 25 N.J.R. 2760(a).

Recodified from 5:33-1.6 and amended by R.1997 d.147, effective March 17, 1997.

See: 29 N.J.R. 4(a), 29 N.J.R. 872(a).

In (a) and (c), amended N.J.A.C. references. Former section recodified to N.J.A.C. 5:33-1.8.

5:33-1.8 Use of replacement bills

(a) Replacement bills must contain property identification information, the amount of tax due, and indication of which quarterly installment is being paid for each parcel. It may be an individually printed bill with a stub, a printed listing of many bills, or many bills transferred via magnetic media or transmitted through electronic means. If printed individually, it must contain a stub that is at least six square inches in size and include the information detailed above.

(b) Individually printed replacement tax bills may be used under the following conditions:

1. For the first payment on the tax bill if the tax collector is unable to, or fails to, issue or mail an original or duplicate tax bill 15 calendar days prior to the statutory due date for that payment, or a later date set by the governing body at which time the full interest penalty for late payments shall begin to accrue, whichever is later;

2. For other quarters if a formal request for a duplicate or original tax bill is not fulfilled within 15 calendar days from the time the tax collector receives the request; or

3. For other quarters when specifically permitted by the tax collector.

(c) The tax collector may permit non-individually printed replacement bills to be used for payment periods other than the first payment period. Such determination shall be made solely by the tax collector and shall be published annually by the Director as provided in N.J.A.C. 5:33-1.9.

(d) When a payment is made with a replacement bill, if not previously forwarded, the tax collector shall forward the original bill or a duplicate tax bill, without charge, when the original tax bill was not properly issued by the tax collector. The tax collector shall send the original or duplicate tax bill,

as the case may be, to the payor so the subsequent tax payments can be paid in a timely manner.

New Rule, R.1992 d.426, effective October 19, 1992.

See: 24 N.J.R. 2766(a), 24 N.J.R. 3723(c).

Public Notice: Tax collection.

See: 25 N.J.R. 2760(a).

Recodified from 5:33-1.7 and amended by R.1997 d.147, effective March 17, 1997.

See: 29 N.J.R. 4(a), 29 N.J.R. 872(a).

In (c), amended N.J.A.C. reference. Former section recodified to N.J.A.C. 5:33-1.9.

5:33-1.9 Annual publication of municipal practices

(a) Each year the Director shall survey each tax collector and, prior to June 14, publish, as a public notice in the New Jersey Register, a listing of the following tax collection practices for each municipality:

1. Duplicate bill fee;
2. Acceptable format(s) of replacement bills;
3. Use of printouts or electronic media for tax payment information;
4. Payment quarters when replacement bills may be used; and
5. Office and facsimile machine telephone numbers.

New Rule, R.1992 d.426, effective October 19, 1992.

See: 24 N.J.R. 2766(a), 24 N.J.R. 3723(c).

Public Notice: Publication of municipal tax collection practices.

See: 25 N.J.R. 2760(a).

Public Notice: Municipal tax collection practices.

See: 27 N.J.R. 2618(a).

Public Notice: Municipal tax collection practices.

See: 28 N.J.R. 4520(b).

Recodified from 5:33-1.8 by R.1997 d.147, effective March 17, 1997.

See: 29 N.J.R. 4(a), 29 N.J.R. 872(a).

Public Notice: Municipal tax collection practices.

See: 32 N.J.R. 3651(a).

SUBCHAPTER 2. TAX COLLECTOR CERTIFICATION

5:33-2.1 Course of instruction—Certified Tax Collector

(a) In addition to other requirements defined by N.J.S.A. 40A:9-145 et seq., successful completion of the three courses described in (b) through (d) below and as administered through the Center for Government Services at Rutgers, the State University, shall be required of candidates for Municipal Tax Collector certification.

(b) Principles of Municipal Tax Collection I, as follows:

1. Local government in New Jersey;
2. Office and duties of the tax collector;
3. Office and duties of the assessor and the county board of taxation;

4. Assessments for local improvements;
5. Tax deductions and exemptions;
6. Billing duties;
7. Cashier duties;
8. Reports;
9. Interest;
10. Enforcement duties prior to tax sale;
11. Personal property;
12. Miscellaneous duties;
13. Office and duties of the treasurer;
14. Office and duties of the utility collector;
15. Office and duties of the tax search officer;
16. Treasurer of school monies;
17. Tax sale overview.

(c) Principles of Municipal Tax Collection II, as follows:

1. Study of N.J.S.A. 54:5, Articles 1 through 11.

(d) Principles of Municipal Tax Collection III, as follows:

1. Setting up an office;
2. Management techniques;
3. Office procedures;
4. Internal control;
5. Records;
6. Reconciliations;
7. Reports; and
8. Miscellaneous.

(e) A Certificate of Completion of each course is subject to the following requirements:

1. Each candidate must attend at least three-quarters of the scheduled classes in addition to the final examination period(s); and
2. Passage of the final examination. The passing grades for the final examination shall be in accordance with the standards in effect and as prescribed by Rutgers, the State University, and shall be graded by the course instructors under the supervision of the Center for Government Services.

Amended by R.1995 d.490, effective September 5, 1995.
See: 27 N.J.R. 2132(a), 27 N.J.R. 3328(b).

5:33-2.2 Examination reviews: tax collector certification

(a) Review of a particular examination will be permitted only for those applicants who were not successful in passing such an examination.

(b) All examination reviews will be conducted in the offices of the Division of Local Government Services, 101 South Broad Street, Trenton, New Jersey 08625.

(c) Requests for examination reviews must be made in writing within two months of the date which appears on the notice of the mailing of the examination results. To arrange an examination review, an unsuccessful applicant must make a written request to the Division of Local Government Services, 101 South Broad Street, CN 803, Trenton, New Jersey 08625, setting forth several alternative dates and times which would be convenient to attend such a review. One of the dates will be selected and the applicant will be advised of the appointment date and time.

(d) Examination reviews will be conducted by a representative or representatives of the Division of Local Government Services. No one other than representatives of the Division of Local Government Services and the unsuccessful applicant for whom the review is being conducted shall be present at the examination review.

(e) The examination review will consist of the following:

1. Informing the applicant of his grade and explaining the manner in which the grade has been calculated.
2. Informing the applicant of the grade required for passage of the examination.
3. Specifying the categories of questions covered in the examination and informing the applicant how he fared category by category.
4. In limited circumstances, the representative of the Division conducting the review may discuss and review a specific question with the applicant.

(f) No applicant will be permitted to copy any questions or answers.

(g) No applicant will be permitted more than one review of a particular examination.

(h) The availability of examination reviews and instructions for requesting such a review are to be announced by proctors at examination centers before each examination commences.

**SUBCHAPTER 3. TENANTS' PROPERTY TAX
REBATE PROGRAM**

5:33-3.1 Authority

(a) This subchapter is promulgated under the authority of N.J.S.A. 54:4-6.10 and 54:4-8.81.

(b) This subchapter implements the Tenants' Property Tax Rebate Program, originally adopted in 1976, revised in 1991, and amended by P.L. 1998, c.15, adopted May 4, 1998, and provisions of the Regional Efficiency Aid Program, P.L. 1999, c.61 (N.J.S.A. 54:4-8.76 et seq.)

(c) Correspondence and inquiries regarding the program may be addressed to:

Tenants' Rebate Program
 Division of Local Government Services
 N.J. Department of Community Affairs
 PO Box 803
 Trenton, New Jersey 08625-0803

5:33-3.2 Definitions

The following words and terms used in this subchapter shall have the following meanings, unless the context clearly indicates otherwise:

"Act" means the Tenants' Property Tax Rebate Act, N.J.S.A. 54:4-6.2 et seq.

"Amount to be rebated" means the total of the property tax reduction plus any property tax credit applied to the property through the Regional Efficiency Aid Program.

"Assessment reduction" means a decrease in the amount of assessed value of qualified real rental property resulting from:

1. An agreement between an owner of qualified property and a municipal taxing authority;
2. An abatement, exemption, or change in assessment imposed administratively by a municipal tax assessor or county board of taxation; or
3. A judgment entered by a county board of taxation, the tax court, or another court of competent jurisdiction.

"Base year" means calendar year 1998. If any of the following events occur, "base year" shall then mean:

1. Any calendar year after 1998 in which property taxes levied for qualified real rental property exceed the property taxes levied for 1998 for that property;
2. The first calendar year after 1998 during which qualified real rental property is first offered for rent or lease;
3. The first full calendar year after 1998 in which qualified real rental property is no longer subject to a tax exemption or tax abatement program;
4. A calendar year subsequent to 1998 for which the property tax calculation reflects an assessment reduction from the prior base year assessment; or
5. A calendar year subsequent to 1998 in which the property taxes paid in the base year and the property

taxes paid in the current year do not reflect consistent budgetary and tax item components because sewer, solid waste or similar services provided through a taxing entity budget and reflected in the tax rate are changed to a separately billed user fee.

"Current year" means the calendar year in which a property tax reduction is realized and rebates are calculated.

"Director" means the Director of the Division of Local Government Services in the Department of Community Affairs.

"Local agency" or "local enforcement agency" means the municipal rent leveling board, where one exists, or the tax collector where one does not.

"MOD IV" means the New Jersey Property Tax System administered by the State Division of Taxation. It is mandated for use by every municipal assessor, authorized for use by private data centers serving municipalities, and designed for use by tax collectors in preparing tax bills and Notices of Tax Reduction.

"Notice of Tax Reduction," "Tax Reduction Notice," or "Notice" means the document tax collectors send to owners whose taxes in the current year are lower than those in the base year or who have received a Regional Efficiency Aid Program property tax credit. It includes the base year and current tax and the property tax reduction amount as computed by the MOD IV system, any REAP property tax credit, a plain language summary of the law and rules, and an owner's rent rebate certificate.

"Owner" means a person who owns qualified property.

"Property tax reduction" means the difference, between property taxes paid or payable on any qualified property in the base year, and the lower taxes paid or payable in the current year, except that such calculation shall be exclusive of any property tax credit applied to the property through the Regional Efficiency Aid Program.

"Qualified property" or "qualified real rental property" means any building or structure, or complex of buildings and structures, in which four or more housing units are rented or leased or offered for rent or lease for residential purposes, except:

1. Hotels, motels, and other guesthouses serving transient or seasonal guests;
2. Buildings or structures which are subject to an abatement agreement under which reduced or no property taxes are paid on the improvements pursuant to statute, notwithstanding that payments in lieu of taxes are paid in accordance with the agreement;
3. Buildings or structures located in municipalities in which a rent control ordinance that does not provide for an automatic increase in the amount of rent permitted to

be charged by a property owner upon an increase in the amount of property tax levied upon the property is in effect for the base year and the current year;

4. Dwelling units in a residential cooperative or mutual housing corporation;

5. Dwelling units in a condominium, other than those occupied by qualified tenants under the "Tenant Protection Act of 1992," P.L. 1991, c.509 (N.J.S.A. 2A:18-61.40 et seq.);

6. Dwelling units in a continuing care retirement community; and

7. Dwelling units within residential health care facilities, assisted living facilities, facilities with a Class C license pursuant to the Rooming and Boarding House Act of 1979, P.L. 1979, c.496 (N.J.S.A. 55:13B-1 et seq.), or similar facilities for which occupancy is conditioned on receipt of medical, nursing or personal care services for the residents and the cost thereof is included in the rent.

"Regional Efficiency Aid Program" or "REAP" means the Regional Efficiency Aid Program, N.J.S.A. 54:4-8.76 et seq.

"Rent rebate certificate" means an owner's written assurance to a local agency of rebates to be made to tenants. It includes certification that the owner has posted notice of the rebates prominently for inspection by tenants or has otherwise notified them, and that the owner has started making the rebates and will complete them.

"Tax bills" means the property tax bills mailed by the tax collector that include, at a minimum, the third installment of taxes for the calendar year; however, if the bill for the third installment is an estimated bill issued pursuant to N.J.S.A. 54:4-66.2 et seq., it shall mean the tax bill for the fourth installment.

"Tenant rebate" means a deduction from rent equal to an owner's tax reduction divided among tenants according to the rent they pay. It may be made as a credit against rent payable or as a refund of rent paid, at the option of the owner.

"Transient" means individuals whose residence at a rooming or boarding house is on a temporary basis for a period lasting no more than 90 days.

5:33-3.3 Tax collector responsibilities

(a) Every tax collector shall:

1. Ensure that records in the MOD IV system reflect all changes required by the adjudication of tax appeals;

2. Identify qualified properties for the MOD IV or related local system from prior records, owner rebate certificates returned, and other sources;

3. Within 30 days after mailing tax bills, send a Tax Reduction Notice to every owner who receives a property tax reduction or a REAP property tax credit, with a copy to the local agency. If there is no local agency, a copy shall be kept for one year or until the next rebate notices are issued, whichever is sooner; and

4. Provide a revised Tax Reduction Notice to any owner whose taxes have been reduced administratively or by appeal judgment since the original notices were mailed by:

i. Issuing the revised Notice within 30 working days after the collector being apprised of the action by the owner or the owner's agent, or by other means, and verifying the record date; and

ii. Sending a copy of the revised Notice to the local agency, or keep it if there is no local agency.

5:33-3.4 Notices of Tax Reduction

(a) Tax Reduction Notices issued by tax collectors and MOD IV data centers throughout the State shall be substantially uniform. They shall contain the components listed in (b) and (c) below, and shall be in the form illustrated in Appendix A, incorporated herein by reference. The form may be modified locally, with approval of the Director. Any such modification shall continue to be substantially consistent with Appendix A. At the discretion of the municipality, other relevant information may be added to the form so as to further clarify or explain the main contents, or to address conditions that may be unique to the local area. However, the basic style and substance of the form shall be maintained, as set forth in (b) and (c) below.

(b) Tax Reduction Notices shall contain the following components:

1. The front or top section of the form shall contain the following information:

i. A heading;

ii. A description of the qualified rental property which includes, at a minimum, the name of the municipality and county; the block, lot and qualification code numbers; the street address; and the owner's name and mailing address;

iii. The rebate calculation showing the base year date and tax; the current year date and tax; a calculation of the property tax reduction; any REAP property tax credit amount; and the amount to be rebated;

iv. The return address of the tax collector or local agency; and

v. Instructions for completing the form, and any relevant explanatory information.

2. The back or bottom section of the form shall contain the following information:

- i. The owner's rent rebate certificate;
- ii. The calculated amount and distribution of the monthly and annual tenant rebates by rent classes;
- iii. An allocation of the amount credited to owner or commercial occupancy; and
- iv. The owner or agent's signature, and the date that the rebate notice is posted.

(c) The explanatory information required on the front or top section of the Notice shall be a plain language summary of the law and rules, to guide owners as to their legal responsibilities. Reliance on the summary shall not relieve an owner of any responsibility set forth in the law or rules.

5:33-3.5 Owner obligations

(a) Within 30 days after receipt of a Notice of Tax Reduction, every owner shall:

1. Post and maintain in a prominent place on the qualified property a notice listing each different rent category and the corresponding amount of monthly and annual rebate due the residential tenants in those categories, after allowance for commercial and owner occupancy. A photocopy of the Rent Rebate Certificate may be used for this purpose;

2. Calculate the first rent rebate in accordance with the following schedule:

- i. When notices are received on or before November 1, the first rebate shall be cumulative from January 1 to the month after receipt; and

- ii. When notices are received after November 1, the first rebate shall be for not less than one-seventh of the total rebate amount;

3. Distribute the first rent rebate as calculated pursuant to (a)2 above within 30 days from the time the Notice was received; and

4. Complete and return the Rent Rebate Certificate to the agency office at the address given on the front of the notice.

(b) After the first rebate, owners shall continue to issue rebates in equal monthly installments until completed in accordance with the following schedule: by December 31 for notices received on or before November 1, and by the following June 30 for notices received after November 1.

(c) Every owner shall make best efforts to notify former tenants of their rebate entitlement for the months they were renters.

1. A certified letter, return receipt requested, mailed to the tenant's last known address, shall be considered as being within the realm of an owner's best efforts.

2. Unclaimed rebates shall be held for one year, pending possible claim; thereafter, they shall revert to the owner with no further obligation.

(d) Any owner who receives a revised Tax Reduction Notice shall immediately adjust the remaining allocations in accordance therewith, provided that no owner shall be entitled to recover any part of a rebate already paid or credited.

5:33-3.6 Rebate calculation and distribution

(a) The "Amount to Be Rebated" shown on the front of the Notice shall be apportioned among tenants according to the rent they pay and the number of months they were tenants during the calendar year for which the Notice was issued.

(b) The following calculation method shall be used or adapted locally, as long as the statutory requirements for rebate distribution are met. For large complexes, where the numbers get unwieldy, similar rents can be grouped into classes for computation, and the end result divided by the number of rental units in each class. It is generally practical to work with monthly rents, divide the gross rebate amount (R) by 12 (months), and complete the calculation from that basis. Appendix A shows a sample calculation.

1. List all rents or rent classes and total them:

$$a + b + \dots + n = z$$

where a through n represent each individual rent or class of rental, and z equals the sum total of rents

2. Divide each rent or rent class by the sum total (z):

$$(a/z = a\%) + (b/z = b\%) + \dots + (n/z = n\%) = 100\%$$

to determine the percentage of each rent (or class) of the total rent amount

3. Multiply the total rebate amount (R) by each percentage, and record it:

$$R \text{ times } a\% = ra, R \text{ times } b\% = rb, \dots R \text{ times } n\% = rn$$

where ra, rb, rn, etc., are the amounts due each tenant, rental unit, or rent class.

4. The total of all calculations should equal the gross rebate amount. If rent classes were used, then divide the amount due each class by the number of tenants or rental units in each.

5. For qualified properties that have partial commercial occupancy or have a rental unit utilized by the owner or a resident manager:

- i. Assign a rent to each commercial unit and add it to the residential rents total ((b)1 above);

- ii. Divide the sum of the commercial rents by the sum total of rents ((b)2 above);

- iii. Apply the percentage derived above to the total rebate amount ((b)3 above) for the share attributable

to the commercial occupancy. It is not rebatable, but is deducted from the total rebate to determine the net amount due residential tenants.

(c) For Notices received on or before November 1, the first rebate of any year shall be made within 30 days and include payment or credit retroactive to January 1 to each tenant resident for any part of that time, and for former tenants whose rent was paid up. Thereafter, pro-rata rebate payments or credits shall be given monthly whenever rents are paid.

1. Rebates shall be completed by the end of the calendar year for all tenants whose rent payments are current.

2. When rent payments are delinquent or in dispute, rebates shall be suspended temporarily and held with the tenant's security deposit, pending resolution of the delinquency or dispute.

(d) For Notices received after November 1, the first rebate shall be made within 30 days and the last by the following June 30.

1. Rebates shall be made in equal monthly installments derived by dividing the rebate amount by the number of months to June 30.

2. When rent payments are delinquent or in dispute, rebates shall be suspended temporarily and held with the tenant's security deposit, pending resolution of the delinquency or dispute.

3. When tenants end their tenancy or give notice of intent to do so before their rebate is completed, landlords may make the final payment forthwith, or include it in the calculation of final rent and return of the tenant's security deposit.

(e) When a lease is terminated by the death of a tenant, any prior payment or credit due shall be paid promptly to

the surviving spouse or the executor or administrator of the decedent's estate.

(f) Rebate payments and credits shall be rounded to the nearest dollar. No rebate shall be required if the total for a unit is less than \$6.00 per year. If credited rather than paid, rebates shall be treated as immediate rent reductions.

(g) Rebates for unoccupied units shall revert to the owner, on a pro rata basis, for whatever periods the units are unoccupied.

5:33-3.7 Penalty provisions

An owner who fails to provide a rebate to his tenants when it is due, or who knowingly and willfully fails to provide or post any notice, certification, or information required by the Tenant Rebate Act or these rules, shall be liable under the penalty and enforcement provisions prescribed in N.J.S.A. 54:4-6.11 and 6.12.

5:33-3.8 Rebates for tenants who receive rent subsidies

Tenants in a Federal Section 8 or similar subsidized rental program shall receive the full amount of any tenant's property tax rebate unless the sponsoring agency has directed the landlord to divide it between the tenant and the agency in proportion to the rent paid, and has furnished the procedures to be followed.

5:33-3.9 Enforcement by local agency

A municipal governing body by ordinance may grant a local rent control agency, serving as the local enforcement agency, authority to represent the municipality or tenants in legal action against an owner under N.J.S.A. 54:4-6.2 et seq. and this chapter.

5:33-3.10 Consistency with municipal ordinances

The provisions of the act and this subchapter shall supersede any conflicting municipal ordinance or provision thereof which provides for rent reductions or rebates when property taxes are reduced.

APPENDIX A

NEW JERSEY TENANT PROPERTY TAX REBATE PROGRAM

Notice of Tax Reduction

If the property described below is not a rented residential property, you may disregard this Notice.

Municipality _____ County _____
 Block: _____ Lot: _____ Qual: _____

Street Address:

The N.J. Tenants' Property Tax Rebate Act (N.J.S.A. 54:4-6.2 and N.J.A.C. 5:33-3.1 et seq.) requires the owners of property with four or more rented residential units on one parcel to rebate to their tenants 100% of the tax reduction, with certain exceptions. Unless this property is one of those, you must rebate to your tenants the amount shown to the right, in accordance with the law (see explanatory information below for more details.)

Mailing Information

Tax Rebate Calculation

Base year taxes - xxxx	\$xxxx
Less Current taxes	<u>xxxx</u>
Sub-total Property Tax Reduction	<u>\$xxxx</u>
REAP Tax Credit	xxxx
Total Amount to be rebated	\$xxxx

Owner: Please complete the other side and return this entire form, within 30 days of receipt, to:
 [Name and address of office/agency]

Refer to the enclosed summary for additional information on the law and program rules.

SUMMARY DESCRIPTION OF TENANTS' PROPERTY TAX REBATE ACT

N.J.S.A. 54:4-6.1 et seq. as amended, effective June 1999
 Supplemented by N.J.S.A. 54:4-8.76, effective April 13, 1999

The attached Notice of Tax Reduction shows the amount of money that the owner of the named residential rental building must provide as a rebate to the tenants. A law that took effect in 1999 made significant changes to law as it had existed previously. This Summary explains the owner's responsibility. A law passed in 1999, the Regional Efficiency Aid Program (REAP) may provide a property tax credit must also be provided as a rebate to tenants.

- **Who is subject to the Act?** Basically, owners of residential rental buildings with four or more rental units, and tenants residing in those units. Exceptions are listed below. All tenants that occupied the building during the year are eligible, regardless of whether they currently rent or have left. Best effort attempts (certified, return receipt required mail to the tenant's last known address suffices) must be made to notify tenants who left during the year, and their rebates are to be held for one year before it reverts to the owner.
- **How does the Act work?** Whenever an owner's current property taxes dip below those in the "base year" stored in the tax collector's computer system, that reduction or "saving" is recorded in a Notice of Tax Reduction sent to affected owners. The saving must be given to tenants as rent reduction. A property tax credit granted to the property through the REAP program is also rebated to tenants as a rent reduction. The REAP program does not have any requirements other than the rebate of the amount of the credit received by the owner. It is possible that an owner may only receive a REAP rebate. Rebate rules apply to REAP credits as if it was a reduction in property taxes.

• **What are the exclusions from liability for tenant rebates?**

If any of the following circumstances are met, this property may not have a rebate requirement. Contact the municipal tax collector to make the clarification.

- Tax reductions are obtained by action of county boards of taxation or local tax assessors or by judgments of the tax court or other courts of competent jurisdiction
- There are up to four rental units in the same building or on a single lot
- It is a hotel, motel, or other guesthouse serving transient or seasonal guests. "Transient" means up to 90 days and have other permanent residence.
- They are dwelling units that are:
 - residential cooperatives and mutual housing corporations;
 - condominiums, other than units rented to tenants qualified under the Tenant Protection Act of 1992 (N.J.S.A. 2A:18-61.40 et seq.);
 - continuing care retirement communities;
 - assisted-living facilities in which the cost of medical, nursing, and personal care services is included in the rent;
 - buildings in rent-controlled communities where the ordinance does not allow for compensating rent increases when taxes go up; and
 - buildings subject to tax abatement agreements.

• **How is the base year derived?** Effective June 1, 1999, the base year is 1998 for all eligible properties. It will be succeeded eventually by:

- The year property taxes exceed the 1998 amount;
- The first year of a first-time rental;
- The first year of a lowered tax bill obtained by assessment reduction;
- The year after municipal-wide revaluation or reassessment takes effect;
- The year a tax abatement expires; or,
- The year of a shift from a tax basis to a fee basis for utility services

• **What are an owner's obligations?** Within 30 days from receipt of this Notice:

- To post notice (the Rent Rebate Certification) in a prominent place and start making rebates to tenants;
- To complete monthly rebates by December 31 (if this Notice was received before November 1), or June 30 (if this Notices was received after November 1);
- To make the first pre-November 1 rebate cumulative from January 1 to the month after receipt of the Notice; or, to equalize post-November monthly rebates by dividing the amount to be rebated by the number of months to June 30; and,
- At the owners option, to make rebates in cash or rent credit at each payment date. Rebates for unoccupied units or commercial use units are retained by the owner.

• **What are the tenants' obligations?** None, other than to keep their rent payments current. Rebates on those units where rent is disputed or delinquent must be held until the rent is made current.

• **How does a tenant learn of his rebate entitlement?** By notice from his owner posted in a conspicuous place; or by asking the tax collector, "Did my owner have a tax reduction?" "How much was it?"

• **What is a tenant's remedy in case a owner does not make the rebate?** To file a complaint at municipal court, with a summons or warrant to issue from the municipal prosecutor. Superior courts also have jurisdiction. The owner's penalty on conviction is a \$100 fine and the tenant may receive a rebate equal to double the amount.

• **How is the tenant's rebate calculated?** The following method is preferred, though other methods that meet the law may be used (*letters in italic refer to the chart below*):

- a. Divide the "Amount to be Rebated" by 12 for the total amount to be apportioned monthly among all tenants.
- b. List under "Rent per Unit" on the Owner Certificate (a) each different monthly rent category and the number of units (b) in each. Assign a rent to commercial and owner-occupied units when applicable.
- c. Add all rents together (c) and divide each by the total for the percentage of rebate applicable to each (d).
- d. Multiply the monthly amount to be rebated (e), by each percentage (d), for the Rebate/Credit per Month in each category (f); divide this by the number of tenants in each class (b) for the share due each tenant (g).

To graphically show the full calculation, this example uses the following facts:

The property has 10 rental units, broken into 4 different rent classes, two with three units each, and two with two units each. No commercial rents.

The Amount to be Rebated provided on the Notice is \$1,750; the monthly amount is \$146 (\$1,750/12).

SAMPLE REBATE CALCULATION

(a) Rent per Unit	(b) # of Units	(c) Total Rent per class (a times b)	(d) % of rebate for rent class (c divided by total c)	(e) Monthly rebate amount	(f) Rebate for rent class (d times e)	(g) Monthly Rebate per unit (f divided by b)
350.00	3.00	1050.00	25%	146.00	37.00	12.00
375.00	3.00	1125.00	27%	146.00	39.00	13.00
425.00	2.00	850.00	20%	146.00	29.00	14.00
600.00	2.00	1200.00	28%	146.00	41.00	20.00
TOTALS	10.00	4225.00	100%		146.00	

NEW JERSEY TENANT PROPERTY TAX REBATE PROGRAM - Notice of Tax Reduction

If the property described below is not a rented residential property, you may disregard this Notice.

Municipality _____ County _____
 Block: _____ Lot: _____ Qual: _____
 Street Address: _____

Tax Rebate Calculation
 Base year taxes - xxxx \$xxxx
 Less Current taxes xxxx
 Amount to be rebated \$xxxx

The N.J. Tenants' Property Tax Rebate Act requires most owners of most four or more unit residential units to rebate to their tenants 100% of their property tax reduction, with certain exceptions. Unless this property is one of those, you must rebate to your tenants the amount shown to the right, in accordance with the law (see explanatory information below for more details).

Owner: Please complete the other side and return this entire form, within 30 days of receipt, to:
 (Name and address of office/agency)

Mailing information

Refer to the enclosed summary for additional information on the law and program rules.

New Jersey Tenant Property Tax Rebate Program - Rent Rebate Certification

For guidance on rebate calculation, please consult the information received with this form.

Owners of residential rental properties with four or more units must complete the certificate below, post a copy conspicuously where tenants will see it, and return the original to the municipal office shown on the Notice of Tax Reduction. If more room is needed, you may create a Supplemental Certificate by photocopying the original onto a full length sheet or another similar method.

Owner Rent Rebate Certification

The undersigned hereby certifies that the amounts shown below reflect the property tax rebate to be paid to tenants in accordance with the N.J. Tenants Property Tax Rebate Law, and that a copy of this certificate has been posted prominently on the premises for tenant inspection.

Rent per unit **Rebate/Credit per month** **Rebate / credit per year**
 1. \$ _____ \$ _____
 2. \$ _____ \$ _____
 3. \$ _____ \$ _____
 4. \$ _____ \$ _____

Residential Totals. \$ _____
Allocation to owner-occupied or commercial unit: \$ _____
 Date Posted: _____

 (Owner or Agent)

SUBCHAPTER 4. MORTGAGE ESCROW
ACCOUNT TRANSACTIONS**5:33-4.1 Authority**

This subchapter is adopted under the authority of P.L. 1990, c.69, section 16, N.J.S.A. 17:16F-15 et seq.

5:33-4.2 Definitions

The following words and terms, as used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

“Director” means the Director of the Division of Local Government Services.

“Duplicate copy” shall have the meaning defined in N.J.S.A. 17:16F-15.

“Mortgagee” means the holder of a mortgage loan.

“Mortgage escrow account or escrow account” means an account maintained under a mortgage loan agreement, whether incorporated into the agreement or as part of a separately executed document, whereby: the mortgagor is obligated to make periodic payment to the mortgagee, or

the mortgagee’s agent, for taxes, insurance premiums, or other charges with respect to the real property which secures the mortgage loan, and the mortgagee or the mortgagee’s agent is obligated to make payments for taxes, insurance premiums, or other charges with respect to the real property which secures the mortgage loan.

“Mortgage loan” shall have the meaning defined in N.J.S.A. 17:16F-15.

“Mortgagor” shall have the meaning defined in N.J.S.A. 17:16F-15.

“Property identification information” means the information necessary to identify a specific parcel of land and includes the following elements: name of municipality, county, block number, lot number, qualification code, property address or location, name and mailing address of the property owner.

“Property tax processing organization” shall have the meaning defined in N.J.S.A. 17:16F-15.

“Purchasing servicing organization” shall have the meaning defined in N.J.S.A. 17:16F-15.