

CHAPTER 33

TAX COLLECTION ADMINISTRATION

Authority

N.J.S.A. 17:16F-15; 52:27BB-10, 18 and 32; and 54:6-10.

Source and Effective Date

R.2006 d.216, effective May 16, 2006.
See: 38 N.J.R. 379(a), 38 N.J.R. 2687(a).

Chapter Expiration Date

Chapter 33, Tax Collection Administration, expires on May 16, 2011.

Chapter Historical Note

Chapter 33, Urbanaid Program, was adopted and became effective prior to September 1, 1969.

Chapter 33, Urbanaid Program, was repealed by R.1990 d.16, effective January 2, 1990. See: 21 N.J.R. 3046(b), 22 N.J.R. 26(b).

Chapter 33, Tax Collection Administration, was adopted as new rules by R.1990 d.383, effective August 6, 1990. See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

Subchapter 3, Tenant's Property Tax Rebate Program, was repealed and Subchapter 3, Tenant's Property Tax Rebate Program, was adopted as emergency new rules by R.1991 d.383, effective July 1, 1991. See: 23 N.J.R. 2183(a). The provisions of R.1991 d.383 were readopted as R.1991 d.484, effective August 30, 1991. See: 23 N.J.R. 2183(a), 23 N.J.R. 3002(a).

Subchapter 4, Mortgage Escrow Account Transactions, was adopted as R.1992 d.400, effective October 5, 1992. See: 24 N.J.R. 2664(a), 24 N.J.R. 3527(a).

Pursuant to Executive Order No. 66(1978), Chapter 33, Tax Collection Administration, expired on August 6, 1995.

Chapter 33, Tax Collection Administration, was adopted as new rules by R.1995 d.490, effective September 5, 1995. See: 27 N.J.R. 2132(a), 27 N.J.R. 3328(b). Pursuant to Executive Order No. 66(1978), Chapter 33 expired on September 5, 2000.

Subchapter 1, Tax Collection Procedures, Subchapter 2, Tax Collector Certification, and Subchapter 4, Mortgage Escrow Account Transactions, were adopted as new rules by R.2000 d.483, effective December 4, 2000; and Subchapter 3, Tenant's Property Tax Rebate Program, was repealed and Subchapter 3, Tenant's Property Tax Rebate Program, was adopted as new rules by R.2000 d.484, effective December 4, 2000. See: 32 N.J.R. 3226(a), 32 N.J.R. 4293(b); 32 N.J.R. 3228(a), 32 N.J.R. 4293(c).

Chapter 33, Tax Collection Administration, was readopted as R.2006 d.216, effective May 16, 2006. See: Source and Effective Date.

CHAPTER TABLE OF CONTENTS

SUBCHAPTER 1. TAX COLLECTION PROCEDURES

- 5:33-1.1 (Reserved)
- 5:33-1.2 Bank collection of tax payments
- 5:33-1.3 Form of tax collection record
- 5:33-1.4 Municipal Lien Forms
- 5:33-1.5 Third party transaction reconciliation accounts
- 5:33-1.6 Definitions
- 5:33-1.7 Payment of property tax bills

- 5:33-1.8 Use of replacement bills
- 5:33-1.9 Annual publication of municipal practices

SUBCHAPTER 2. TAX COLLECTOR CERTIFICATION

- 5:33-2.1 Course of instruction—Certified Tax Collector
- 5:33-2.2 Examination reviews: tax collector certification

SUBCHAPTER 3. TENANTS' PROPERTY TAX REBATE PROGRAM

- 5:33-3.1 Authority
- 5:33-3.2 Definitions
- 5:33-3.3 Tax collector responsibilities
- 5:33-3.4 Notices of Tax Reduction
- 5:33-3.5 Owner obligations
- 5:33-3.6 Rebate calculation and distribution
- 5:33-3.7 Penalty provisions
- 5:33-3.8 Rebates for tenants who receive rent subsidies
- 5:33-3.9 Enforcement by local agency
- 5:33-3.10 Consistency with municipal ordinances

APPENDIX A

SUBCHAPTER 4. MORTGAGE ESCROW ACCOUNT TRANSACTIONS

- 5:33-4.1 Authority
- 5:33-4.2 Definitions
- 5:33-4.3 Forms for mortgage escrow account transactions
- 5:33-4.4 Use of initial tax authorization notice
- 5:33-4.5 Escrow account transactions
- 5:33-4.6 Notice regarding the sale of municipal liens
- 5:33-4.7 Request for duplicate tax bills
- 5:33-4.8 Duplicate tax bill fees; appeals for reimbursement of fee charged; freezing of duplicate fee charges
- 5:33-4.9 Requests to deliver a mortgagor's tax bill to a property tax processing organization
- 5:33-4.10 Effect of RESPA

SUBCHAPTER 1. TAX COLLECTION PROCEDURES

5:33-1.1 (Reserved)

Repealed by R.1995 d.490, effective September 5, 1995.
See: 27 N.J.R. 2132(a), 27 N.J.R. 3328(b).
Section was "Tax bill receiving machine".

5:33-1.2 Bank collection of tax payments

(a) Any municipality adopting a resolution to contract for services in connection with N.J.S.A. 54:4-122.9 shall, prior to adoption, obtain written advice from the municipal auditor who shall review the proposed contract for compliance with law, any relevant rules, and proper internal control procedures. Within three days of adoption of such a resolution, the Municipal Clerk shall submit a certified copy of the resolution and report of the auditor to the Director of the Division of Local Government Services. Unless action is otherwise taken by the Director within 30 days of receipt, the resolution shall be deemed approved. Such contract shall include detailed procedures to be used in implementing procedures to receive and deposit funds, forwarding of back-up materials to the collector, holding of funds, audit trails and all other information required for evaluation of the proposed system.

(b) The bank, savings bank or trust company designated by any resolution to receive current tax payments, current water and sewer rents, and other public moneys must be designated as an official depository in accordance with N.J.S.A. 40A:5-14.

(c) Any municipality which has contracted with a bank, savings bank or trust company under N.J.S.A. 54:4-122.9 shall notify all taxpayers at least once annually that such a service has been contracted. Notification must be made by mail to all taxpayers at least 30 days prior to the next payment due, payable and subject to possible receipt by such bank, savings bank or trust company agent, following the designation of such agent.

Amended by R.1992 d.426, effective October 19, 1992.
See: 24 N.J.R. 2766(a), 24 N.J.R. 3723(c).

Definitions at (d) for "current" and "delinquent" deleted.
Amended by R.1995 d.490, effective September 5, 1995.
See: 27 N.J.R. 2132(a), 27 N.J.R. 3328(b).

5:33-1.3 Form of tax collection record

Tax collectors shall use a standard form for posting preliminary and final taxes. The content of the form may be reproduced through the use of electronic data processing systems. Sample copies can be obtained from:

Division of Local Government Services
Department of Community Affairs
PO Box 803
Trenton, N.J. 08625-0803

Amended by R.1992 d.426, effective October 19, 1992.
See: 24 N.J.R. 2766(a), 24 N.J.R. 3723(c).

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

5:33-1.4 Municipal Lien Forms

(a) Use of the following forms for the stated purposes is required by municipal taxing districts in the State of New Jersey.

1. Original and Duplicate Certificates of Sale for Unpaid Municipal Liens; and
2. Official Search and Certificates of Search for Municipal Liens.

(b) Samples of these forms are available through the Division of Local Government Services.

5:33-1.5 Third party transaction reconciliation accounts

When check-based or electronic payments for multiple parcels made by property tax processing organizations and servicing organizations defined pursuant in N.J.S.A. 17:16F-15 cannot be correctly reconciled, the tax collector shall create a subsidiary ledger entry to record unreconciled items. The tax collector shall work to reconcile the discrepancy by the end of the fiscal year. All transactions necessary to

reconcile entries shall be noted in the subsidiary ledger, and, when necessary, approved by the governing body.

New Rule, R.1997 d.147, effective March 17, 1997.
See: 29 N.J.R. 4(a), 29 N.J.R. 872(a).
Former section recodified to N.J.A.C. 5:33-1.6.

5:33-1.6 Definitions

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

"Current" payment means any payment which is not yet due and payable, or any payment which became due and payable within the tenth calendar day prior to its receipt, provided that the municipality has adopted a resolution allowing "that no interest shall be charged if payment of any installment is made within the tenth calendar day following the date upon which the same became payable" in accordance with provisions of N.J.S.A. 54:4-67.

"Delinquent" payment means any payment which is not current (as defined above), plus any payments for accounts on which a Tax Title Lien exists.

"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.

"Replacement bill" shall mean a property tax bill made or generated by a mortgagee, servicing organization, or tax processing organization to serve as a replacement to an original tax bill and used in accordance with this subchapter.

"Tax bill" shall mean the original form issued by the tax collector with the appropriate itemization and payment information for local property taxes as required by N.J.S.A. 54:4-64, 65 and 66. It shall include the information section itemizing the taxes due, and payment stubs containing property identification information and amount due for each of the quarters.

"Tax collector" shall mean the properly designated tax collector of the taxing district in which the mortgagor's property is located.

New Rule, R.1992 d.426, effective October 19, 1992.
See: 24 N.J.R. 2766(a), 24 N.J.R. 3723(c).
Recodified from 5:33-1.5 by R.1997 d.147, effective March 17, 1997.
See: 29 N.J.R. 4(a), 29 N.J.R. 872(a).
Former section recodified to N.J.A.C. 5:33-1.7.

5:33-1.7 Payment of property tax bills

(a) Payment of property tax bills shall be made by presenting the stub from either an original or duplicate tax bill, or through the use of a replacement bill as described in N.J.A.C. 5:33-1.8. The original or duplicate tax bill itself does not need to be presented for payment when a payment stub showing the required information is used.