

CHAPTER 33

TAX COLLECTION ADMINISTRATION

Authority

N.J.S.A. 52:27BB-10, 52:27BB-32, 52:27D-18, 40A:4-83,
40A:5-38, 40A:11-11 and 40A:12-6.

Source and Effective Date

R.1990 d.383, effective August 6, 1990.
See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b).

Executive Order No. 66(1978) Expiration Date

Chapter 33, Tax Collection Administration, expires on August 6, 1995.

Chapter Historical Note

Chapter 33, Urbanaid Program, became effective prior to September 1, 1969. Chapter 33 was repealed by R.1990 d.16, effective January 2, 1990.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, became effective August 6, 1990 as R.1990 d.383. See: Source and Effective Date. Subchapter 3, Tenant's Property Tax Rebate Program, was repealed and new rules adopted, effective July 1, 1991, by Emergency Rule R.1991 d.383. Subchapter 3 amended by R.1992 d.469, conforming to New Jersey Supreme Court decision in *Cold Indian Springs Corp. v. Township of Ocean*, 81 N.J. 502 (1980), and to issues arising from the Emergency Rule adopted July 1, 1991. See: subchapter and section annotations for additional rulemaking.

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SUBCHAPTER 1. TAX COLLECTION PROCEDURES

5:33-1.1 Tax bill receipting machine

In any municipality, the governing body may require the collector to use a tax bill receipting machine so constructed as to imprint duplicate figures on a continuous record locked within the machine, simultaneously as bills are receipted. Such machine shall be subject to approval as to design, type and function by the State Board. Access to the recording section of the machine shall be restricted to the clerk, who, not less than once each week, shall remove the recorded figures and compare them with the collector's bank deposits during the same period. Whenever such comparison reveals any default, delinquency or official misconduct, the clerk shall immediately report the results thereof to the local governing body and to the collector's surety. Not less than once each month, the clerk shall certify to the local governing body that he has complied with the requirements of this section during the next preceding 30 days.

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 awarding the contract, receive approval of the Director of the Division of Local Government Services of the contract. 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.

5:33-1.3 Form of tax collection record

Tax collectors shall use a standard form for posting preliminary and final taxes. Sample copies can be obtained from:

Division of Local Government Services
Department of Community Affairs
CN 803
Trenton, NJ 08625

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.

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 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).

5:33-1.6 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. 5:33-1.7. 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.

(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. 5:33-1.8.

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).

5:33-1.7 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. 5:33-1.8.

(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).

5:33-1.8 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).

SUBCHAPTER 2. TAX COLLECTOR CERTIFICATION

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

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

(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 Bureau of Government Research.

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

Subchapter Historical Note

Subchapter 3, Tenants' Property Tax Rebate Program, was added as new by R.1990 d.383, effective August 6, 1990. The text added as N.J.A.C. 5:33-3.1 through 3.10 was a duplicate of the rules at N.J.A.C. 5:30-16.1 through 16.10, which were repealed by R.1990 d.383. The text added at N.J.A.C. 5:33-16.11 was a duplicate of the Appendix to N.J.A.C. 5:30. See: 22 N.J.R. 706(b), 22 N.J.R. 2276(b). Subchapter 3 was repealed and replaced by new rules, effective July 1, 1991, by Emergency Adoption R.1991 d.383 (expires August 30, 1991). See: 23 N.J.R. 2183(a). Adopted concurrent proposal R.1991 d.484, effective August 30, 1991. See: 23 N.J.R. 2183(a), 23 N.J.R. 3002(a) provisions of emergency rules readopted. See section annotations for additional rulemaking.

5:33-3.1 Authority

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

(b) This subchapter implements the provisions of the Tenant Property Tax Rebate Program, originally adopted in 1976 and revised in 1991.

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

Tenant Rebate Program
Division of Local Government Services
N.J. Department of Community Affairs
CN 803
Trenton, New Jersey 08625

5:33-3.2 Definitions

The 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., as amended by P.L. 1991, c.65.

"Base year" means, as appropriate:

1. Calendar year 1990, for real rental property qualified on March 15, 1991, the effective date of the Act;

2. Any year after 1990, except the current year, in which property taxes exceed the amount paid in 1990.

“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.

“Division” means the Division of Local Government Services.

“Local agency” means the local rent control agency, where one exists, or the tax collector, in absence of a local rent control agency.

“MOD IV” means the MOD IV New Jersey Property Tax System administered by the State Division of Taxation, mandated for use by every municipal assessor and municipality, and authorized for use by data centers serving municipal clients.

“Notice” or “Notice of Tax Reduction” means the notice that the tax collector sends to owners when there is a property tax reduction in the current year. It includes a Tax Reduction Calculation, an Owner’s Rent Rebate Certification, and a plain language summary of the law and rules.

“Owner” means the owner or landlord of qualified real rental property.

“Property tax reduction” means the difference between property taxes paid in the base year, and the lower taxes paid or payable in the current year, excluding taxes on improvements added since the base year. A negative number or zero does not produce a property tax reduction. See N.J.A.C. 5:33-3.8 for special circumstances concerning property tax reductions.

“Qualified property” or “qualified real rental property” means any building or structure, or complex of buildings and structures, in which dwelling units are rented or offered for rent, except:

1. Hotels, motels, and other guesthouses serving transient or seasonal guests;

2. Shareholders or owners of shares or units in a cooperative housing corporation, or residents of mutual housing corporations, or residents of continuing care retirement communities, who are eligible for homestead rebates pursuant to P.L.1990, c.62 (N.J.S.A. 54:4-8.57 et seq.);

3. A complex of three units or less on a single parcel when one is owner occupied;

4. Group residences, when the rent, paid by an individual or agency on behalf of a tenant, includes various social or personal services and requires tenant participation in rehabilitative, medical, or related programs; and

5. Mobile or manufactured homes taxed or licensed as vehicles, wherever sited, and manufactured or mobile homes installed in mobile home parks and therefore exempt from taxation as real property pursuant to N.J.S.A. 54:4-1.5b.

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

Amended by R.1992 d.469, effective November 16, 1992.

See: 24 N.J.R. 3205(a), 24 N.J.R. 4255(a).

Definitions for base year, property tax reduction, and qualified property amended.

5:33-3.3 Tax collector responsibilities

(a) Each collector shall, within 30 days after tax bills are mailed, send a Notice of Tax Reduction to each owner of qualified property on which property taxes are reduced, with a copy to the local agency to retain for at least one year.

(b) Each tax collector shall make a notation in the MOD IV or other local system to identify, as qualified properties, all MOD IV Qualification Code 2 (Residential), 3A (Farm Regular), and 4A (Commercial) properties for which a Notice of Tax Reduction is returned. In addition, throughout the year, each tax collector shall use all locally available information and records to identify non-qualified or new properties that become qualified during the year.

(c) When third and fourth quarter property tax bills are prepared in any year in which a revaluation takes effect, the collector shall mail a Notice of Tax Reduction to all owners of properties identified in MOD IV Qualification Codes 2 (Residential), 3A (Farm Regular), 4A (Commercial), and 4C, (Apartments, five-family or more) on which property taxes are reduced with respect to the base year.

(d) Beginning in 1992, or the year following a revaluation, collectors shall send Notices to all owners of qualified property on which property taxes are reduced with respect to the base year, which shall include all owners of newly qualified properties, and all others identified as qualified under the program.

Amended by R.1992 d.469, effective November 16, 1992.

See: 24 N.J.R. 3205(a), 24 N.J.R. 4255(a).

Added clarification of the obligations of, and procedures used by, the collectors in issuing Notice of Tax reduction.

5:33-3.4 Notice of Tax Reduction

(a) The Notice of Tax Reduction, the form of which is incorporated herein by reference as Appendix A, shall include the following components:

1. Tax Reduction Calculation/Rent Rebate Certification. The front of this form is the collector's calculation of the decrease in taxes from the base year to the current year; the back provides for a rent rebate schedule, to be completed and certified by the owner or his agent, listing the various rental amounts and the amount of rebate for each, monthly and annual. The form shall contain the following information:

- i. The jurisdiction name;
- ii. The property owner name and address;
- iii. The property block and lot numbers;
- iv. The property tax reduction calculation;
- v. The purpose of form/general explanation;
- vi. The instructions;
- vii. The owner's certification of rent rebate;
- viii. The signature of the owner;
- ix. The rent list with corresponding rebate amounts; and
- x. The return address of the local agency.

2. Supplemental Rent Rebate Certification. An additional form for use when the original contains insufficient room.

3. Summary Statement. A plain language summary of the law and these rules, to guide owners as to their legal responsibilities. Reliance upon the Summary Statement shall not relieve an owner of any responsibilities under the law or rules.

(b) Collectors and MOD IV data centers may develop alternate forms, subject to approval of the Director, to meet their individual needs.

(c) Each collector shall maintain an active current file of qualified property owners, to facilitate future distribution of Notices and to assist in answering inquiries regarding the program.

5:33-3.5 Owner responsibilities

(a) Within 30 days after receipt of a Notice of Tax Reduction, every owner shall return to the local agency his Rent Rebate Certification, showing the total annual rebate due his residential tenants, adjustments for commercial or owner-occupied units when applicable, and his statement of compliance with the Act.

(b) When he returns his Rent Rebate Certification, every owner shall also post and maintain in a prominent place on his property a notice listing each different rent category and the corresponding amount of annual and monthly rebate due his tenants.

(c) Every owner shall endeavor to obtain addresses of former tenants who would be eligible for rebates for any period of the calendar year preceding the first rebate payment date, and to notify them by mail of their entitlement. Owners shall hold such rebates in escrow for one year, pending possible claims; unclaimed rebates shall thereafter revert to the owners with no further obligation.

5:33-3.6 Rebate calculation and payments

(a) Tenant rebates may be calculated by either of the two following methods; provided, that the Square Foot Method shall be used only when authorized or directed by ordinance.

Rent Method:

$$\text{i. } \frac{\text{Total tax reduction}^*}{\text{Total rent payable from all units}} = \frac{\text{Rebate percentage for all units}}{\text{all units}}$$

$$\text{ii. } \text{Rebate percentage} \times \text{rent of each unit} = \text{Rebate per unit}$$

2. Square Foot Method (when permitted or directed by ordinance):

$$\text{i. } \frac{\text{Total tax reduction}^*}{\text{Total rentable square footage}} = \text{Rebate per square foot}$$

$$\text{ii. } \text{Rebate per square foot} \times \text{area of each unit} = \text{Rebate per unit}$$

*Less allowance for commercial or owner occupancy

(b) When applicable, owners may reduce their "total tax reduction" subject to rebate by the proportion that owner-occupied units bear to total residential units, or that commercial occupancy bears to total rentable area (for example, 10 percent, where the owner occupies one unit in a 10-unit complex; 25 percent, where commercial occupancy is one-fourth the square-foot area of a multi-unit building).

(c) The first rebate of any year shall include payment or credit retroactive to January 1 for each current tenant resident for any part of that time, and for former tenants similarly resident and paid up. Thereafter, pro-rata rebate payments or credits shall be given whenever rents are due and paid.

1. Rebate amounts shall be completely paid or credited by the end of the calendar year for all tenants whose rent payments are current; provided that, rebates for delinquent tenants or cases in dispute about rent payments shall be held in escrow pending resolution.

2. A landlord who receives a Notice of Tax Reduction after November 1 of any year shall complete the rebate payment process no later than July 1 of the following calendar year.

(d) 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 to the executor or administrator of the decedent's estate.

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

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

(g) Boards of directors of residential cooperatives and mutual housing corporations shall allocate the rebate liability to each shareholder in accordance with existing corporation practices and shall provide the owner of each share a separate Notice of Tax Reduction indicating the rebate liability for that share. If the share represents qualified rental property, the shareholder shall notify and provide the rebate to any tenants.

Amended by R.1992 d.469, effective November 16, 1992.
See: 24 N.J.R. 3205(a), 24 N.J.R. 4255(a).

Rebate calculation and payment requirements modified.

5:33-3.7 Penalty provisions

(a) An owner who fails to provide a rebate to his tenants when it is due, or to a surviving spouse or executor of a deceased tenant, shall be liable to them for twice the amount due, or \$100.00, whichever is greater.

(b) An owner who knowingly and willfully fails to comply with specified provisions of the act shall be liable to the penalties and enforcement provisions prescribed in N.J.S.A. 54:4-6.12.

5:33-3.8 Special circumstances—property tax reductions

(a) The property tax reduction shall take into account judgments entered by a county tax board, the State tax court, or any other court of competent jurisdiction that take effect on or before the date on which the extended tax duplicate is closed for the tax year. (See *Cold Indian Springs Corp. v. Township of Ocean*, 81 N.J. 502 (1980).)

(b) Tax appeals from any prior year pending on or before the date on which the extended tax duplicate is closed for the tax year, shall be excluded from the calculation for the tax year. (See *Cold Indian Springs, supra.*)

(c) When the MOD IV system cannot exclude the value of improvements added since the base year, each collector shall, upon written request of the property owner or tenant and with the assistance of the tax assessor, recalculate the Notice of Tax Reduction to exclude the value of the improvements. Issuance of the revised Notice of Tax Reduction shall restart the time requirement for notice to the tenant.

(d) Changes in property value resulting from a revaluation or reassessment shall not receive special consideration. There is no change in base year taxes, and current year taxes are calculated on the basis of the new assessment. (*Cold Indian Springs, supra.*)

New Rule, R.1992 d.469, effective November 16, 1992.
See: 24 N.J.R. 3205(a), 24 N.J.R. 4255(a).

5:33-3.9 Rebates for tenants who receive rent subsidies

If directed to do so by the sponsoring agency, landlords participating in the Federal "Section 8" housing voucher or other subsidized rental housing program who receive a Notice of Tax Reduction shall divide the property tax rebate between the tenant and the sponsoring agency, based on the percentage of the total rent each party pays, and rebate to the parties as appropriate. The sponsoring agency shall notify the landlord of the responsibilities and procedures to be followed under this section. If no direction is provided to the landlord, the entire rebate shall be provided to the tenant.

New Rule, R.1992 d.469, effective November 16, 1992.
See: 24 N.J.R. 3205(a), 24 N.J.R. 4255(a).

5:33-3.10 Enforcement by local agency

A municipal governing body may, by ordinance, grant a local rent control agency, serving as the local agency, authority to represent the municipality or tenants in legal action against a landlord under the statute and rules.

New Rule, R.1992 d.469, effective November 16, 1992.
See: 24 N.J.R. 3205(a), 24 N.J.R. 4255(a).

5:33-3.11 Consistency with municipal ordinances

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

New Rule, R.1992 d.469, effective November 16, 1992.
See: 24 N.J.R. 3205(a), 24 N.J.R. 4255(a).

FRONT
APPENDIX A
BACK

New Jersey Tenant Property Tax Rebate Program - Notice of Tax Reduction
If the property identified on this card is not a rented residential property, disregard this notice.

Municipality: _____ County: _____

Block: _____ Lot: _____ Qual: _____

Property Address: _____

The N.J. Tenant Property Tax Rebate Act requires landlords of most year-round, rented residential property to rebate 100% of property tax reductions to tenants. Exceptions include 2 and 3 unit owner-occupied properties, and seasonal or transient rentals. If this property is not exempt, you must rebate to your tenant(s) the amount shown to the right, in accordance with the law and program rules (N.J.S. 54:4-6.2 et seq. and N.J.A.C. 5:33-3.1 et seq.)

Tax Rebate Calculation	
Base Year - 19XX	\$ _____
19XX Taxes	\$ _____
Amount to be rebated	\$ _____

The owner must complete the other side, and return this entire form, within 30 days of receipt, to:
 Name of Office _____
 Municipality Name _____
 Address _____
 City, State, Zip _____

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

Text set in this type style is to be replaced by computer generated data

New Jersey Tenant Property Tax Rebate Program - Rent Rebate Certification
For instructions on calculating the rebates, please consult the enclosures received with this form.

Landlords of non-owner occupied properties with 3 or fewer units complete the section below. If more room is required, or for properties of 4 or more units, use this or the enclosed Supplemental Owner's Rent Rebate Certification form (or a facsimile of it). In all cases, post a copy of the other side of this card and the Owner's Rent Rebate Certification form in a prominent place on the property. Return this card and a copy of any Supplemental certification form to the municipal office at the address shown on the other side.

Owner Rent Rebate Certification

The undersigned hereby certifies that the amounts shown below reflect the property tax rebate to be paid to tenants and that a copy of both sides of this form and any Supplemental Owner's Certification have been posted prominently 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:	\$ _____	_____

Owner or Agent

Date: _____

SUBCHAPTER 4. MORTGAGE ESCROW ACCOUNT TRANSACTIONS

Subchapter Historical Note

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

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.

“RESPA” means the Real Estate Settlement Procedures Act and the related regulations in the Code of Federal Regulations, Title 12, Chapter 27.

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

“Substitute form” means a form required by these rules different in layout and appearance from the ones promulgated herein, but containing the same information.

“Tax delinquency” or “delinquency” shall mean delinquency as defined in N.J.S.A. 54:4-67.

“Tax sale” shall mean a tax sale as defined in N.J.S.A. 54:5-19 et seq.

“Tax collector” means the properly designated tax collector of the taxing district in which the mortgagor’s property is located.

“Tax bill” means the original form issued by the tax collector with the appropriate itemization and payment information for local property taxes as required by law. 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.

5:33-4.3 Forms for mortgage escrow account transactions

(a) The following forms shall be used in compliance with this subchapter:

Form Title	Form No.
Initial Tax Authorization Notice	ME-1
Escrow Account Transaction Notice	ME-2
N.J. Request for Duplicate Tax Bill	ME-3
Notice Regarding Sale of Municipal Lien	ME-4
Request for Review	ME-5

(b) Single, reproducible copies of forms ME-1 through ME-5 are available to interested parties at no cost. They may be obtained from the Mortgage Escrow Program, Division of Local Government Services, CN 803, Trenton, N.J. 08625-0803.

(c) Users may reproduce these forms. A company name may be inserted in lieu of the “New Jersey Department of Community Affairs, Division of Local Government Services” block in the upper left hand corner on the Initial Tax Authorization Notice, and Escrow Account Transaction Notice. Users are urged to preprint appropriate information on all forms.

(d) Where specifically authorized herein, substitute forms may be used to comply with the requirements of this rule. Substitute forms must contain all necessary information for transactions to be properly recorded or executed by the tax collector.

5:33-4.4 Use of initial tax authorization notice

(a) An Initial Tax Authorization Notice (ME-1) shall be used by all mortgagees, servicing organizations, or property tax processing organizations establishing or maintaining mortgage escrow accounts as the initial authorization by a mortgagor to the tax collector to send the original tax bill to the mortgagee or the mortgagee’s servicing organization pursuant to N.J.S.A. 54:4-64.

(b) The notice, with original signatures of the mortgagor, shall be mailed or otherwise delivered to the tax collector.

5:33-4.5 Escrow account transactions

(a) A selling servicing organization or mortgagee and a purchasing servicing organization shall both notify the tax collector not more than 45 days after the actual date, or not less than 10 days prior to the date, the next payment of property taxes is due, whichever is earlier, of a sale, assignment, satisfaction, or transfer of a mortgage escrow account by filing an Escrow Account Transaction Notice (ME-2) or substitute. The form shall be used as follows:

1. The original of the notice prepared by the current mortgage holder or the selling servicing organization shall be mailed or otherwise delivered to the tax collector;
2. The original of the notice prepared by the new servicing organization shall be mailed or otherwise delivered to the tax collector. This shall be supplemented with the purchaser’s procedure for responding to questions regarding a mortgage escrow account it manages;
3. In lieu of separate forms filed by both the seller and purchaser, the seller may forward the documentation directly to the new servicing organization for confirmation and approval. The new servicing organization shall then forward the completed form to the tax collector on behalf of both parties;
4. In the case of a property owner making final satisfaction of a mortgage, the section noted “Property Sold or Property Owner Satisfaction of Mortgage” shall be completed, and sent to the municipal tax collector;
5. In the case of a property sale, the section noted “Property Sold or Property Owner Satisfaction of Mortgage” shall be completed, and sent to the municipal tax collector; and
6. In addition, in accordance with N.J.S.A. 17:16F-17(a), copies of all initial sale, transfer, and assignment transactions shall also be sent to the borrower.

(b) A substitute form may be used in lieu of the ME-2 form. A substitute form shall not describe more than one property, and must include the following elements:

1. Property identification information;
2. Date of transaction;
3. Type of transaction;

4. Any internal loan identifying number or code;
5. For the originator or seller of a mortgage, servicing organization or property tax processor change; the name, address, internal identifying number, bank code number, contact person and phone number related to the organization(s) being changed;
6. For the recipient or buyer of a mortgage, servicing organization or property tax processor change, the name, address, internal identifying number, bank code number, contact person and phone number related to the new organization(s);
7. If the transaction is a sale or owner satisfaction of a mortgage, indication of which action and the effective date;
8. If the recipient or buyer is to receive notice of foreclosure pursuant to N.J.S.A. 54:5-104.48, indication of same and signature of mortgagee representative, typed name and title; and
9. Name, signature, and phone number of the individual preparing the notice, date the form was prepared, and the name of the organization submitting the notice; if the form is being sent to the recipient or buyer organization for confirmation pursuant to (a)3 above, this same information for the buying organization.

(c) To ensure that original tax bills are properly forwarded, the following procedures shall be followed:

1. In the case of a mortgage sale, the holder of the tax bill shall forward the original tax bill to the new mortgagee or property tax servicing organization.
2. In the case of a property sale, the holder of the tax bill shall forward the tax bill to the municipal tax collector. Upon receipt of a ME-1 notice, the tax collector shall forward the tax bill to the new servicer of property tax processing organization.

5:33-4.6 Notice regarding the sale of municipal liens

A tax collector shall include the Notice Regarding the Sale of Municipal Liens (ME-4) with tax sale notices when property taxes are paid through a mortgage escrow account.

5:33-4.7 Request for duplicate tax bills

(a) Requests for a duplicate tax bill, other than those requested through submission of an Initial Tax Authorization Notice (ME-1), shall be sent to the municipal tax collector on the N.J. Request for Duplicate Tax Bill form (ME-3) or a substitute form.

(b) If a request from a mortgagee, servicing organization, or property tax processing organization is accompanied by the correct fee and necessary information, a tax collector shall deliver an original or duplicate bill within 15 days.

(c) The time limit for response to written or other requests made for a duplicate tax bill made within the 10 calendar days prior to the established due dates for payment of taxes, or during a grace period approved by the municipality, shall be suspended until the conclusion of this time period.

(d) A substitute form may be used in lieu of the ME-3 form. A substitute form shall not list more than one property and shall contain the following elements:

1. Property identification information;
2. Date of request;
3. Bank Tax Code number;
4. Any internal loan identifying number or code;
5. Printed or typed name, address and phone number of the individual and organization preparing the notice; and
6. Name, address and phone number of the individual and organization of where the duplicate bill is to be mailed.

5:33-4.8 Duplicate tax bill fees; appeals for reimbursement of fee charged; freezing of duplicate fee charges

(a) The maximum charge for an individual, mortgagee, servicing organization, or property tax processing organization requesting an initial duplicate copy of a tax bill is \$5.00. The fee for each subsequent copy of the tax bill for the same tax year requested by the same person or organization shall not exceed \$25.00. The actual amount shall be set by municipal ordinance.

(b) Duplicate bill fees set by the governing body that are in effect as of March 1 of each year shall remain in effect until June first of the succeeding year. Fees may be changed during the year, but shall not take effect until the following June 1.

(c) If a mortgagee, servicing organization, or property tax processing organization wishes to appeal the charges required for a duplicate copy of a tax bill, it may request the Director to direct the tax collector to make a refund of an amount paid for a duplicate copy of a tax bill in accordance with the following procedure:

1. The requestor shall make the request on the Request for Review form (ME-5).
2. The submission shall include all necessary explanations and documentation, including correspondence and the reasons why the charges are believed to be improper. A copy of the form and documentation shall be sent to the tax collector.

3. The tax collector shall have the right to submit, in writing, any correspondence or other materials disputing the requestors reasons and justifying why the charges should be sustained within 30 days of receipt of the Request for Review.

4. Upon receipt of all documentation, the Director will make a determination or will conduct a formal review prior to deciding this matter. A written decision will be rendered by the Director to the appropriate parties within 45 days of the initial request.

(d) The Director may authorize a refund of charges for a duplicate copy of a tax bill from the municipality for any reason described below:

1. No tax bill was mailed by the tax collector to either the property owner or his authorized agent.

2. The tax collector or staff lost or destroyed bills previously submitted during the payment and did not return the same when the proper self-addressed stamped envelope was provided.

3. The tax collector fails or refuses to provide information regarding the duplicate copy of the tax bill to the Director within 30 days of a request for the same.

4. By error of the tax office personnel, the bank code was removed.

5. The tax collector did not mail the duplicate bill within 15 days of receipt of a written request.

6. Other circumstances under control of the municipality that prevented the tax collector from meeting the statutory or regulatory requirements for delivering tax bills, as determined to be appropriate by the Director.

Public Notice: tax collection.
See: 25 N.J.R. 2760(a).

5:33-4.9 Requests to deliver a mortgagor's tax bill to a property tax processing organization

(a) If a tax collector determines that a request to mail or otherwise deliver a mortgagor's tax bill to a property tax processing organization is inappropriate, the tax collector shall first attempt good faith efforts to resolve the matter with the organization. If the matter is unresolved, the tax collector shall then request the Director to review the appropriateness of the request. If a tax collector fails to request the review, the organization requesting the tax bills may file on its own behalf by following the procedure below as if it were the tax collector.

(b) The procedures for such a review shall be as follows:

1. The tax collector shall make the request on the Request for Review form (ME-5).

2. The submission shall include all necessary explanations and documentation, including correspondence and the reasons why the request is inappropriate. A copy of the form and documentation shall be sent to the property tax processing organization requesting the action.

3. The property tax processing organization shall have the right to submit, in writing, any correspondence or other materials disputing the tax collector's reasons and justifying why the tax bill should be delivered within 30 days of receipt of the Request for Review.

4. Upon receipt of all documentation, the Director will make a determination or conduct a formal review prior to deciding this matter. A written decision will be rendered by the Director to the appropriate parties within 45 days of the initial request.

5:33-4.10 Effect of RESPA

In the event of any conflict between any provisions of this subchapter and the Federal Real Estate Settlement Practices Act (RESPA), the latter shall govern. All individuals and organizations should make themselves familiar with the provisions of RESPA and the associated Federal rules.