

[Home](#) | [Newsroom](#) | [Media](#) | [Administration](#) | [NJ's Priorities](#) | [Contact Us](#)
[Press Releases](#) | [Public Addresses](#) | [Executive Orders](#) | [Press Kit](#) | [Reports](#)
[Home](#) > [Newsroom](#) > [Press Releases](#) > 2012 > Governor Christie Announces \$116 Million in New Local Property Tax Relief for New Jersey Families

## Governor Christie Announces \$116 Million in New Local Property Tax Relief for New Jersey Families

Tuesday, October 16, 2012

Tags: [Taxes](#)

### Historic Pension and Tool Kit Reforms Bring Even Greater Savings to Property Taxpayers

**Trenton, NJ** – Governor Chris Christie today announced that the historic, bipartisan pension reforms signed into law in June 2011 continue to result in hundreds of millions in savings for local middle-class taxpayers. New lower bills will be provided to local governments today showing statewide savings of \$116 million due to the pension management reforms implemented under the Christie administration. Pension contributions paid by local governments and funded by local property taxpayers are falling by \$116 million, with over \$43 million in local government savings coming from the Police and Firemen's Retirement Systems (PFRS) and over \$72 million coming from the Public Employees' Retirement System (PERS).

"Our willingness to make the tough choices and achieve progress on meaningful reforms in a bipartisan way is continuing to deliver millions in long-term, sustainable property tax relief for our middle-class families," said Governor Chris Christie. "Our commitment to New Jersey taxpayers is to continue down the path of commonsense reforms that bring down the cost of government while providing tax relief. We have an obligation to ease our overburdened middle class by delivering direct tax relief, ending the practice of cash payouts for unused sick days, promoting shared services, and closing the loopholes in the 2 percent property tax cap. I urge the legislature to continue to work as a partner, rather than an impediment, and act on our middle-class reform agenda."

Governor Christie's landmark reforms of 2011 are projected to save state and local taxpayers over \$120 billion over 30 years. Last year, the first year of implementing pension reform, local taxpayers saved \$267 million statewide. For the current fiscal year 2013, pension costs for local governments are a projected \$241 million less this year than they would have otherwise been without reform.

The \$116 million in savings announced today is additional, new savings for local governments, resulting from responsible management initiatives by the New Jersey Department of the Treasury and oversight boards. These changes are providing a more sound and secure future for the pension system, adjusting the estimated rate of return on assets downward to a more conservative 7.95 percent from 8.25 percent, and adjusting the actuarial projections for workforce total and salary figures.

The reduction from 8.25 percent brings State expectations in line with rates of return adopted by other large public pension systems. This best-practices initiative was achieved at no net-cost to taxpayers because of responsible oversight by both the Department of Treasury and the pension boards that oversee the funds. Over the last two years, returns on state pension investments have averaged 10.29 percent.

These revisions are possible because of the Christie Administration's commitment to responsible management of the pension systems, and the aggressive, successful pursuit of bipartisan reforms to lower the cost of government and the burden on local property taxpayers – specifically the 2 percent property tax cap and interest arbitration reform.

"Treasury and the pension oversight boards worked together to recognize changes in the outlook for future obligations and make the pension system more fiscally secure," Treasurer Andrew Sidamon-Eristoff said. "These initiatives included adoption of a lower assumed rate of return that responsibly reflects today's more challenging investment markets."

Savings breakdowns of the \$116 million in newly announced savings for Fiscal Year 2013 for each local government in New Jersey – municipalities, counties and other local government units – can be accessed on the Department of

**Stay Connected**  
with Social Media

**Stay Connected**  
with Email Alerts

**LIKE THIS PAGE? SHARE IT  
WITH YOUR FRIENDS.**

[SHARE](#) [f](#) [t](#) [e](#) [...](#)

Treasury's website for both PERS and PFRS: <http://www.state.nj.us/treasury/pensions/epbam/exhibits/pdf/2013-pers-pfrs-combined-billing.pdf>

###

**Press Contact:**  
Michael Drewniak  
Kevin Roberts  
609-777-2600



[Contact Us](#) | [Privacy Notice](#) | [Legal Statement & Disclaimers](#) | [Accessibility Statement](#) | 

Statewide: [NJ Home](#) | [Services A to Z](#) | [Departments/Agencies](#) | [FAQs](#)  
Office of the Governor: [Home](#) | [Newsroom](#) | [Media](#) | [Administration](#) | [NJ's Priorities](#) | [Contact Us](#)

Copyright © State of New Jersey, 1996-2018  
Office of the Governor  
PO Box 001  
Trenton, NJ 08625  
609-292-6000