



## Legislation Details (With Text)

**File #:** 15-2153      **Version:** 1      **Name:** Tax Abatement Amendment Applications on File Jan 1  
**Type:** Ordinance      **Status:** Adopted  
**File created:** 11/16/2015      **In control:** Municipal Council and City Clerk  
**On agenda:** 5/4/2016      **Final action:** 6/15/2016

**Title:** ORDINANCE AMENDING AND SUPPLEMENTING TITLE X, FINANCE AND TAXATION, CHAPTER 23, FIVE-YEAR TAX EXEMPTION AND ABATEMENT OF THE REVISED GENERAL ORDINANCES OF THE CITY OF NEWARK, NEW JERSEY, 2000, AS AMENDED AND SUPPLEMENTED, IS HEREBY AMENDED TO AUTHORIZE THE GRANTING OF ABATEMENTS AND EXEMPTIONS FOR APPLICATIONS ON FILE ON JANUARY 1, 2015 TO THE EFFECTIVE DATE OF ORDINANCE 6PSF -g, OCTOBER 7, 2015.

**Sponsors:** Council of the Whole

**Indexes:**

**Code sections:**

Date	Ver.	Action By	Action	Result
6/15/2016	1	Municipal Council	Close on Public Hearing and Adopt	Pass
5/18/2016	1	Municipal Council	Adopt on First Reading	Pass
5/4/2016	1	Municipal Council	Advance to First Reading	Pass

**ORDINANCE AMENDING AND SUPPLEMENTING TITLE X, FINANCE AND TAXATION, CHAPTER 23, FIVE-YEAR TAX EXEMPTION AND ABATEMENT OF THE REVISED GENERAL ORDINANCES OF THE CITY OF NEWARK, NEW JERSEY, 2000, AS AMENDED AND SUPPLEMENTED, IS HEREBY AMENDED TO AUTHORIZE THE GRANTING OF ABATEMENTS AND EXEMPTIONS FOR APPLICATIONS ON FILE ON JANUARY 1, 2015 TO THE EFFECTIVE DATE OF ORDINANCE 6PSF-g, OCTOBER 7, 2015.**

**WHEREAS**, the Municipal Council adopted an amendment to Title X, Chapter 23, Five-Year Tax Exemption and Abatement ordinance on October 7, 2015; and

**WHEREAS**, there are applications for exemptions and abatements on file on January 1, 2015, which would qualify for the exemptions and abatements contained in the ordinance amendment; and

**WHEREAS**, it was the express intention of the Municipal Council that such applications be included within the operation of the ordinance amendments and that this proposed amendment to the ordinance would memorialize said intentions and allow the granting of such exemptions and abatements, which would further be in the best interest of the City of Newark.

**NOW, THEREFORE, BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:**

**[Note: Additions are noted as bold and underlined text and deletions as ~~strike-outs~~.]**

**Section 1.** Title X, Chapter 23, Five-Year Tax Exemption and Abatement of the Revised General Ordinances of the City of Newark, New Jersey, 2000, as amended and supplemented, is hereby amended to read as follows:

## **CHAPTER 23, FIVE-YEAR TAX EXEMPTION AND ABATEMENT**

### **10:23-5B. EXEMPTIONS AND ABATEMENTS FOR MULTIPLE DWELLINGS.**

Exemptions and abatements from taxation shall be permitted within the City other than the Non-Applicable Areas for improvements to Multiple Dwellings.

Categories of improvements eligible for the abatement or exemption shall be approved by the Municipal Council or on an individual basis after review, evaluation, and approval of each application by the Tax Assessor.

Applicants shall provide a completed application containing information set forth in N.J.S.A. 40A:21-9 for the applicant to pay to the City in lieu of full property tax payments an amount annually to be computed as set forth in N.J.S.A. 40A:21A-6.

Notwithstanding that the value of the property to which the improvements or conversion alterations are made is increased, in determining the value of the real property, the City shall regard the Tax Assessor's full and true value of the improvements or conversion alterations, as not increasing the value of the property for a period of five (5) years (Zero percent (0%) increase to the value of the property for the improvements or alterations for a period of five (5) years). The assessment on any property granted an exemption pursuant to this Section shall not be less than the assessment on the property existing immediately prior to the improvements or conversion alterations.

**Any applications on file for such abatements or exemptions, on January 1, 2015 to the date of enactment of Ordinance 6PSF-g, October 7, 2015, shall be eligible for consideration. However, the abatement or exemption shall not obligate the City to pay a refund of any taxes paid. Any adjustments to the assessment for each property shall be made by the Tax Assessor and credits applied to the account for the applicable property.**

### **10:23-5C. EXEMPTIONS AND ABATEMENTS FOR COMMERCIAL AND INDUSTRIAL STRUCTURES.**

Exemptions and abatements from taxation shall be permitted within the City other than the Non-Applicable Areas for improvements to Commercial and Industrial structures.

Categories of improvements eligible for the abatement or exemption shall be approved by the Municipal Council or on an individual basis after review, evaluation, and approval of each application by the Tax Assessor.

Applicants shall provide a completed application containing information set forth in N.J.S.A. 40A:21-9 for the applicant to pay to the City in lieu of full property tax payments an amount annually to be computed as set forth in N.J.S.A. 40A:21A-7.

Notwithstanding that the value of the property to which the improvements or conversion

alterations are made is increased, in determining the value of the real property, the City shall regard the Tax Assessor's full and true value of the improvements as not increasing the value of the property for a period of five years (Zero percent (0%) increase to the value of the property for the improvements or alterations for a period of five (5) years). The assessment on any property granted an exemption pursuant to this section shall not be less than the assessment on the property existing immediately prior to the improvements or conversion.

**Any applications on file for such abatements or exemptions, on January 1, 2015 to the date of enactment of Ordinance 6PSF-g, October 7, 2015, shall be eligible for consideration. However, the abatement or exemption shall not obligate the City to pay a refund of any taxes paid. Any adjustments to the assessment for each property shall be made by the Tax Assessor and credits applied to the account for the applicable property.**

**10:23-5D. EXEMPTIONS AND ABATEMENTS FOR NEW CONSTRUCTION OF DWELLINGS, MULTIPLE DWELLINGS, COMMERCIAL, AND INDUSTRIAL STRUCTURES.**

Exemptions and abatements from taxation shall be permitted within the City other than the Non-Applicable Areas for New Construction of Dwellings, Multiple Dwellings, Commercial and Industrial structures.

Categories of improvements eligible for the abatement or exemption shall be approved by the Municipal Council or on an individual basis after review, evaluation, and approval of each application by the Tax Assessor.

Applicants shall provide a completed application containing information set forth in N.J.S.A. 40A:21-9 for the applicant to pay to the City in lieu of full property tax payments an amount annually to be computed by one of the following formulas:

- (a) Costs Basis (Two percent (2%) of cost of construction),
- (b) Gross Revenue Basis (fifteen percent (15%) of the annual gross revenues from the Project) or
- (c) Tax Phase-in Basis (Zero percent (0%) payment in lieu of taxes in year 1, twenty percent (20%) payment in lieu of taxes in year 2, forty percent (40%) payment in lieu of taxes in year 3, sixty percent (60%) payment in lieu of taxes in year 4, eighty percent (80%) payment in lieu of taxes in year 5) as set forth in N.J.S.A. 40A:21A-10.

**Any applications on file for such abatements or exemptions, on January 1, 2015 to the date of enactment of Ordinance 6PSF-g, October 7, 2015, shall be eligible for consideration. However, the abatement or exemption shall not obligate the City to pay a refund of any taxes paid. Any adjustments to the assessment for each property shall be made by the Tax Assessor and credits applied to the account for the applicable property.**

**Section 2.** If any section, paragraph, subdivision, clause or provision of this ordinance shall be judged invalid, such adjudication shall apply only to the section, paragraph, subdivision, clause or provision so adjudged, and the remainder of this ordinance shall be deemed valid and effective.

**Section 3.** All Ordinances or parts of ordinances inconsistent herewith are hereby repealed as to such inconsistency.

**Section 4.** This Ordinance amendment shall take effect upon final passage and publication in accordance with the laws of the State of New Jersey.

**STATEMENT**

An Ordinance Amending and Supplementing Title X, Finance and Taxation, Chapter 23, Five-Year Tax Exemption and Abatement, of the Revised General Ordinances of the City of Newark, New Jersey, 2000, as amended and supplemented to authorize the granting of abatements and exemptions for applications on File on January 1, 2015 to the effective date of Ordinance 6PSF-g, October 7, 2015.