City of Newark

Legislation Details (With Text)

File #:	14-2240	**Version:** 1	**Name:**	Resolution regarding State Legislation for Tax-Exempt Properties
Type:	Resolution		**Status:**	Filed
File created:	12/30/2014		**In control:**	Municipal Council and City Clerk
On agenda:	1/7/2015		**Final action:**	1/7/2015

Title: Dept/ Agency: Offices of Municipal Council/City Clerk
Action: ( ) Ratifying (X) Authorizing ( ) Amending
Type of Service: Urging/Supporting
Purpose: Resolution seeking assistance for municipalities with significant tax-exempt properties
Additional Information:

Sponsors: Mildred C. Crump, Carlos M. Gonzalez

Indexes:

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Date	Ver.	Action By	Action	Result
1/7/2015	1	Municipal Council	Adopt	Pass

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Additional Information:

WHEREAS, N.J.S.A. 54:4-3.6 provides for property tax exemptions for nonprofit organizations; and

WHEREAS, in 2014, the City of Newark, the State of New Jersey's largest municipality had $12,428,905,811 in commercial retables, and $10,861,438,300, or 46.6% of the tax base, occupied by commercial (Class 15) tax- exempt properties; and

WHEREAS, in 2015, the commercial tax-exempt properties in the City of Newark are anticipated to increase to above 47% of the municipal tax base; and

WHEREAS, the City of Newark recognizes the many benefits provided by non-profit organizations, typically at no cost or at a reduced cost, to Newark residents; and

WHEREAS, the City of Newark also recognizes that many of the service providers located in the City of Newark provide services not only to Newark residents, but to the larger community, including to residents of other municipalities in Essex County and those outside Essex County; and

WHEREAS, tax- exempt properties utilize many basic municipal services, including roads, police fire and EMT services, without contributing any funds towards the cost of such services through property tax payments; and

WHEREAS, the City of Newark has identified 79 municipalities in New Jersey which have more than 20% of their municipal tax base occupied by commercial Class 15 tax- exempt land, not inclusive of farmland assessed properties; and

WHEREAS, the Municipal Council of the City of Newark wishes to work with other municipalities with more than 20% of their tax base taken up by Class 15 tax- exempt properties, the New Jersey League of Municipalities ("The League"), and elected official to craft legislation to provide tax-exempt property relief to municipalities; and

WHEREAS, The Municipal Council supports A1635, sponsored by Assemblywoman Caroline Casagrande, which permits municipalities in which 12% or more land is exempt from property taxes to issue up to two additional plenary retail consumption licenses; and

WHEREAS, the City of Newark supports any legislation seeking an increase in State aid to municipalities which have significant tax-exempt land, including an offset or a credit for municipalities that serve as the County seat;

NOW, THEREFORE BE IT RESOLVED, by the Municipal Council of the City of Newark that it seeks the League's assistance in advancing legislation regarding the issue of significant property tax-exempt land, by submitting this Resolution for consideration by the League for their support.

BE IT FURTHER RESOLVED that a copy of this Resolution shall be forwarded to the New Jersey State League of Municipalities, the 79 municipalities identified as having more than 20% of their municipal tax base occupied by tax-exempt land, and the State legislators for the City of Newark.

STATEMENT

This resolution supports the development and passage of special State legislation that would provide financial relief for municipalities in New Jersey in which tax exempt property represents twenty percent (20%) or more of the tax base.