



2009 NJ Property Tax Relief

NJ Division of Taxation
Outreach Unit

www.njtaxation.org



2009 Property Tax Relief

- Homestead Rebate
- Property Tax Reimbursement (Senior Freeze)
- NJ Income Tax: Prop Tax Deduction
- Other Items...



Property Tax Relief & Reform



Homestead Property Tax Rebate

- Available to Homeowners and Tenants
- Owner/Rented a property on Oct 1st
 - Subject to Property Taxes



How to Apply

- Tenants
 - Complete Page 4, NJ-1040
- Homeowners
 - Applications mailed in May.



2008 Rebate Restrictions

- Budgetary Restrictions:
 - \$75,000 or less
 - \$150,000 Seniors/Disabled
 - Based on 2006 Property Taxes
 - Renters: Only Senior/Disabled

Rebate Amounts - Homeowners

Homeowners Age 65 or Older and/or Disabled		
If your gross income* is...	Your benefit amount is the larger of...	
	A percentage of the first \$10,000 of property taxes paid, based on your income level.	OR The amount of property taxes paid minus 5% of gross income, but limited to the maximum amount for your income level.**
Not over \$70,000	20%	\$1,000 - \$1,200
\$70,001 to \$100,000	20%	\$600 - \$800
\$100,001 to \$125,000	10%	\$600 - \$800
\$125,001 to \$150,000	10%	\$500
Over \$150,000	Not eligible	

Rebates based on 2006 Property Taxes

Rebate Amounts - Homeowners

Homeowners Under Age 65 and NOT Disabled	
If your gross income* is...	Your benefit amount is...
Not over \$100,000	A percentage of the first \$10,000 of property taxes paid, based on your income level. 20%
\$100,001 to \$150,000	10%
Over \$150,000	Not eligible

Rebates based on 2006 Property Taxes



Homestead Rebate Info

www.njtaxation.org:

- Online Rebate Amount Inquiry
 - Includes 2006, 2007, 2008 amounts

- May be useful for Income Tax purposes



Property Tax Reimbursement

- Must be Age 65/ovr or Disabled by
- NJ Resident for at least 10yrs
- Owned and lived in the home for at least 3 years
- Have fully paid property taxes due by 6/1

Eligibility must be met for base & current year



Property Tax Reimbursement

Income Eligibility Limits

- 2007
 - \$60,000

- 2008
 - \$70,000

- 2009
 - \$80,000

Eligibility must be met for base & current year



PTR – Income Limits

Virtually all gross income is included for PTR eligibility:

- Social Security
- Unemployment
- Military Pension
- NJ Lottery Winnings

Use Income Worksheet to determine Gross Income



PTR - Application

- Form PTR-1
 - Used for 1st time applicants
- Form PTR-2
 - 2nd and later years

Proof of Property Taxes must be included



Property Tax Reimbursement

- Income Guidelines for 2009
 - 2009 Income - \$80,000
 - 2008 Income - \$70,000
- New Residency Guidelines
 - Easing the 3 year rule



NJ Property Tax Deduction



Property Tax Deduction: NJ-1040

NJ Residents can:

- Deduct Property Taxes Paid
 - Principal Residence Only

Or

- Receive a \$50 Property Tax Credit

Benefit also available to renters: 18% Rent



Property Tax Deduction/Credit

New for TY 2009:

- Suspended for \$250,000/ovr
 - Unless 65/ovr or Disabled

- \$5,000 Cap
 - Gross Incomes over \$150,000
 - Unless 65/ovr or Disabled

Renters are not subject to above restrictions



Projects and Notices

- Property Tax Deduction/Credit
 - Notices for 2007 Tax Year
 - Tax Software Packages
 - Principal Residence = 1 lot
 - PTR Base Year?



Other Items of Interest...

- Non-Res Withholding on Sale of Property
 - GIT-REP-1 = Payment @ Closing
 - GIT-REP-2 = Paid/Stamped @ RO
 - GIT-REP-3 = Exemption/NJ Res/Fed Exclusion



Civil Union Law

- Effective 2/19/2007
- Civil Union = Married
 - Gross Income Tax
 - Inheritance/Estate Tax
 - Property Tax Relief Programs
 - Local Property Tax
 - Realty Transfer Fee Exemption



Where to Get Help

○ General Public

- Local Property Branch 609/292-7974
- NJ Taxation Call Center 609/292-6400
- Homestead Rebate 888/238-1233
- PTR (Senior Freeze) 800/882-6597

○ Tax Collectors/Municipal Staff

- Leg Hotline – 609/633-8433