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# Property Tax Relief – How To Qualify

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New Jersey currently has five different property tax relief programs which include special programs for those over 65 years of age. Each of these programs have their own eligibility requirements, applications, processing and deadlines.

Attached is an overview of the Property Tax Relief Programs that are currently available in the State of New Jersey. Your specific circumstances will determine how many of these programs you are eligible for. Phone numbers and websites for help and additional information are also included.

1. **Senior Freeze**
2. **Homestead Benefit**
3. **Senior Citizens Annual Property Tax Deduction**
4. **Veterans' Property Tax Relief**
5. **NJ State Income Tax Relief: Property Tax Deduction/Credit**

# SENIOR FREEZE ***Deadline for filing: November 2, 2020***

## I. What Can You Get?

A partial reimbursement of your past year's paid property taxes

- You get a check from the state for the difference between the property taxes you paid last year and the property taxes you paid in your **Base Year**
- Your **Base Year** is established when you first meet the Eligibility Requirements

## *II.* How To Qualify? *(Eligibility Requirements for filing for 2019 reimbursement)*

**A. Payment of past property taxes:**

- Must have paid full amount of 2018 AND 2019 property taxes

**B. Residency and Ownership**

- You lived in New Jersey continuously since December 31, 2008 as either homeowner or renter
- You owned and lived in your home since December 31, 2015
- You still owned and lived in that home on December 31, 2019

**C. Age/Disability**

You OR your spouse must be:

- 65 or older as of December 31, 2018

***OR***

- Actually receiving federal Social Security disability benefit payments (not benefit payments received on behalf of someone else)

**D. Income Requirements**

- Your income in 2019 must be less than $91,505
- Your income in 2018 must be less than $89,013

*The same limit applies to single people and married couples. Income for the purpose of the Senior Freeze calculation includes items such as social security, pensions & 401k/IRA withdrawals*

***WARNING: If you become ineligible in a year (e.g. your income exceeds the limit) you will lose your BASE year & will have to reapply for a new BASE year when you again become eligible.***

## *III.* How To Apply?

**A. If you are a first time filer this year:**

- Complete and file 2019 Form PTR-1 *along with*
- Form PTR-1A (your local tax collector must certify that your property taxes are paid)
- If accepted by the State, 2018 will become your **BASE** year

**B. If you have previously filed for a Senior Freeze:**

You will complete a 2019 Form PTR-2 which incorporates your personal information and indicates your previously established **BASE** year. You will need to file this form along with Form PTR-2A, the certification by your local tax collector of your paid property taxes.

## IV. Deadlines and Help

- **Filing deadline for 2019 Senior Freeze is November 2, 2020**
- 2019 Form PTR-1 (a blue booklet also containing Form PTR-1A) may be available at your local municipal tax office or online at: www.state.nj.us/treasury/taxation/pdf/ptr/18-ptr1.pdf
- 2019 Form PTR-2 booklets were already mailed out by the State. Call NJ Hotline 1-800-882-6597 if you haven't received it.
- In the past, the State mailed out Senior Freeze checks based on how early you filed. This year they will start mailing your Senior Freeze checks to you in October 2020.
- *Additional information can be found at www.njtaxation.org*

# HOMESTEAD BENEFIT

****2018 Homestead Benefit has not been authorized and the applications are not yet available. The description below describes 2017 Homestead Benefit. However, the deadline for applying for 2017 Homestead Benefit has already passed.**

I **What Can You Get?** A property tax credit of up to 10% of your 2006 property taxes, or $1,000 (whichever is lower).

*The actual benefit you will receive is based on your age and income (see below).*

II **How To Qualify?** *(Eligibility requirements for filing for 2017 Homestead Benefit)*

**A. Payment of past property taxes:**

- Must have paid full amount of 2017 property taxes

**B. Residency and Ownership**

- You are a New Jersey resident
- You owned and occupied a home in New Jersey that was your principal residence on October 1, 2017

**C. Age/Disability and Income**

You ***OR*** your spouse must have income less than:

- $150,000 if you are 65 or older or blind or disabled (as of December 31, 2017)
- $75,000 if you are under age 65 and not blind or disabled.

*The same limits apply to single people and married couples.*

*Income for the purpose of Homestead Benefit is New Jersey Taxable Gross Income – Line 28 of your 2017 Income Tax Return. (It does not include items such as social security & public pensions)*

**D. Actual Amount of Benefit**

***IF YOU ARE OVER 65 OR DISABLED***

| NJ Gross Income is… | Benefit payment… |
|---|---|
| Not over $100,000 | Lesser of 10% of your 2006 property taxes or $1,000 |
| >$100,000 but <$150,000 | Lesser of 5% of your 2006 property taxes or $500 |

***IF YOU ARE UNDER 65 AND NOT DISABLED***

| NJ Gross Income is… | Benefit payment… |
|---|---|
| Not over $50,000 | Lesser of 10% of your 2006 property taxes or $1,000 |
| >$50,000 but <$75,000 | Lesser of 6.67% of your 2006 property taxes or $667 |

III **How To Apply?**

If you applied last year you received a letter from the State of New Jersey with an ID and PIN number. You were able to apply for your 2017 Homestead Benefit by phone or online. If you are unsure of whether or not you applied:

- Call the NJ Homestead Benefit Hotline: 1-888-238-1233
  or call the NJ Treasurer's office: 1-877-658-2972
- Paper applications for 2017 NJ Homestead Benefit had been available at:
  *www.state.nj.us/treasury/taxation/pdf/homestead/hownerappins.pdf*

IV **Deadlines and Help**

- **Filing deadline for 2017 Homestead Benefit was December 2, 2019**
- The 2017 Homestead Benefit will be credited against your 2021 Property Tax bill.
- For any assistance, call the Homestead Benefit Hotline: 1-888-238-1233
- *Additional information can be found at www.njtaxation.org*

# SENIOR CITIZENS ANNUAL PROPERTY TAX DEDUCTION

## I. What Can You Get?

An annual deduction of $250 from your property taxes

*Administered prospectively by your local municipal tax assessor*

## *II.* How To Qualify? *(Eligibility requirements for filing for 2021 credit)*

### A. Residency and Ownership

- You must be living in the property as your principal residence on October 1, 2020
- You must be a legal resident in New Jersey on October 1, 2019

### B. Age/Disability

You or your spouse must be:

- 65 or older as of December 31, 2020

  **OR**
- were permanently & totally disabled & unable to be gainfully employed as of December 31, 2020

  **OR**
- You were a surviving spouse as of October 1, 2020 and have not remarried AND were 55 or more as of December 31, 2020 and at the time of your spouse's death, your spouse was receiving this deduction

### C. Income Requirements

- Your annual income for 2021 will not exceed $10,000

*The same limit applies to single people and married couples.*

*Income for the purpose of the Deduction* excludes *Social Security or Federal Government Pension or State, County or Municipal Pension*

## III. How To Apply?

**If you are filing for the first time:**

- Complete a Form PTD
- If you are filing as a disabled person, attach Physician's or Social Security Disability or NJ Commission for Blind certificate

By March 1 of the tax year after you receive the deduction, you **must** File Form PD5, the Annual Post Tax Year Income Statement

*Form PD5 confirms your income for the year of the deduction AND reaffirms your eligibility from the initial PTD form.*

*Form PTD must be submitted to your local municipal tax assessor for approval.*
*Form PD5 will be mailed to you before the due date.*

## IV. Deadlines and Help

- **Filing period October 1, 2020 – December 31, 2020 for the 2021 tax year**
- Form PTD is available from your local municipal tax assessor or online at: www.state.nj.us/treasury/taxation/pdf/other_forms/lpt/ptd.pdf
- After the first year you receive the credit, a Form PD5 will be mailed to you by your local tax collector. You must complete it and return it to the Municipal Tax Office by March 1.
- All questions should be directed to your local municipal tax office

# VETERANS PROPERTY TAX RELIEF

**At present, only veterans who served in an Active War Time Service Period are eligible for this relief. Ballot Question #2 for the November 2020 General Election would extend the benefits to ALL veterans. If passed, it will become effective on December 3, 2020.**

## I. What Can You Get?

An annual deduction of $250 from your property taxes for veterans and their surviving spouses.

If 100% disabled, full exemption from property taxes for veterans and their surviving spouses.

*Administered prospectively by your local municipality*

## *II.* How To Qualify?

*Eligibility requirements for filing for $250 credit for 2021*

- You must have been honorably discharged
- You own the property (in whole or part) for which the deduction is claimed on October 1, 2020
- You are a legal resident in New Jersey on October 1, 2020
- No income test

Surviving spouse must file documentation of service and that when the veteran died he/she was a resident of NJ. Surviving spouse must not have remarried and must be owner & resident on 10/1/20.

*Eligibility requirements for filing for 100% exemption*

- You must have been honorably discharged
- You must receive determination from the Veterans Administration that you have a service-connected disability and were declared to be 100% permanently and totally disabled
- You wholly or partially own a house in New Jersey for which the exemption is claimed
- You are a legal resident of New Jersey & you occupy the house as your principal residence
- No income test

Surviving spouse must file documentation of the above and must not have remarried.

## III. How To Apply?

**If you are filing for the $250 tax reduction you will only need to do this once:**

- Complete Form VSS
- Submit with proof of honorable discharge

**If you are filing for the 100% exemption:**

- Complete Form DVSSE
- Submit with proof of honorable discharge and confirmation of VA approval of 100% permanently and totally disabled in wartime service

*The above forms & proofs must be submitted to your local municipal tax assessor for approval*

## IV. Deadlines and Help

**If you are filing for the $250 tax reduction:**

- **Filing period October 1, 2020 – December 31, 2020 for the 2021 tax year**
- Form VSS is available at your local municipal tax office or online at: www.state.nj.us/treasury/taxation/pdf/other_forms/lpt/vss.pdf
- For assistance in documenting veterans' status, contact NJ Dept of Military & Veterans Affairs (609) 530-6958 or (609) 530-6854; US Department of Veterans Affairs at 800-827-1000; or contact your local Veterans Group

**If you are filing for the 100% exemption:**

- **You may file anytime**
- Form DVSSE is available at your local municipal tax office or online at: www.state.nj.us/treasury/taxation/pdf/other_forms/lpt/dvsse.pdf

# NJ STATE INCOME TAX RELIEF: PROPERTY TAX DEDUCTION/CREDIT

## I. What Can You Get?

A deduction in your taxable income which means you will pay less in taxes **OR** a tax credit

**For 2019**

***Homeowners:*** Deduction of property taxes paid or $15,000, whichever is less

***Tenants:*** Deduction of 18% of rent paid during the year

**OR**

A tax credit of $50

## II. How To Qualify? *(Eligibility requirements when filing your NJ State Income Tax)*

***A.* Residency and Ownership:**

- You lived in NJ as a homeowner or tenant during the tax year

**B. Payment of property taxes:**

- Your home was subject to property taxes, that were paid either as actual property taxes or through rent
- You can only deduct the amount you have paid in property taxes, up to $15,000

C. **Income Requirements:**

- Your gross income is more than $20,000 ($10,000 if filing status is single or married/CU partner, filing separate return)
- Residents with gross income of less may be eligible for a property tax credit. To claim the credit you have to file a separate form.

**D. No Age Requirements**

## III. How To Apply?

**New Jersey Resident Return NJ-1040**

- If you meet the eligibility requirements, you can take either a Property Tax Deduction (Enter on Line 39) or a Property Tax Credit (Enter on Line 55) BUT NOT BOTH
- Complete Worksheet H to see if a credit or deduction is best for you

*There are no income limits on this Property Tax Relief Program.*
*High income taxpayers will get more NJ Property Tax Relief than lower income taxpayers.*

## IV. Deadlines and Help

- **Due date for the 2019 NJ-1040 was July 15, 2020**
- Extensions are allowed if timely applied for
- Amendments can be made to correct prior filings
- More information is available on the New Jersey Division of Taxation website at: www.njtaxation.org or by calling: 609-292-6400
- Specific questions relating to your personal filing should be directed to your tax preparer