

TOWNSHIP OF UPPER DEERFIELD

ORDINANCE # 715

**AN ORDINANCE AMENDING AND SUPPLEMENTING CHAPTER 360
OF THE UPPER DEERFIELD TOWNSHIP CODE**

Chapter 360

Article III

Tax Exemptions and Abatements for Improvements to Dwellings More than Twenty (20) Years Old

360 – 17 Purpose.

360- 17.1. The purpose of this Ordinance is to provide for the exemption from taxation of the value of Improvements to Dwellings and grant abatements for a portion of the assessed value of property subject to Exemption for Improvements to Dwellings, to the extent allowed herein and as authorized by the Five-Year Exemption and Abatement Law (N.J.S.A. 40A:21-1 *et. seq.*

360 – 18 Definitions.

As used in this Ordinance:

360 – 18.1 "Abatement" means that portion of the assessed value of a property as it existed prior to construction, improvement or conversion of a building or structure thereon, which is exempted from taxation pursuant to this Ordinance.

360 – 18.2 "Assessor" means the officer of a taxing district charged with the duty of assessing real property for the purpose of general taxation.

360 – 18.3 "Completion" means substantially ready for the intended use for which a building or structure is constructed, improved or converted.

360 – 18.4 "Condominium" means a property created or recorded as a condominium pursuant to the "Condominium Act," P.L.1969, c.257 (C.46:8B-1 *et seq.*).

360 – 18.5 "Conversion" or "conversion alteration" means the alteration or renovation of a nonresidential building or structure, or hotel, motel, motor hotel or guesthouse, in such manner as to convert the building or structure from its previous use to use as a dwelling or multiple dwelling.

360 – 18.6 "Cooperative" means a housing corporation or association, wherein the holder of a share or membership interest thereof is entitled to possess and occupy for dwelling purposes a house, apartment, or other unit of housing owned by the corporation or association, or to purchase a unit of housing owned by the corporation or association.

360 – 18.7 "Dwelling" means a building or part of a building used, to be used or held for use as a home or residence, including accessory buildings located on the same premises, together with the land upon which such building or buildings are erected and which may be necessary for the fair enjoyment thereof, but shall not mean any building or part of a building, defined as a "multiple dwelling" pursuant to the "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 *et seq.*). A dwelling shall include, as they are separately conveyed to individual owners, individual residences within a Cooperative, if purchased separately by the occupants thereof,

and individual residences within a Horizontal Property Regime or a Condominium, but shall not include "general common elements" or "common elements" of such Horizontal Property Regime or Condominium as defined pursuant to the "Horizontal Property Act," P.L.1963, c.168 (C.46:8A-1 et seq.), or the "Condominium Act," P.L.1969, c.257 (C.46:8B-1 et seq.), or of a Cooperative, if the residential units are owned separately.

360 – 18.8 “Eligible Dwelling” means a Dwelling that is more than 20 years old. Properties for which taxes are delinquent or remain unpaid, or for which penalties for nonpayment of taxes are due, are not eligible for the Exemption or Abatement.

360 – 18.9 "Exemption" means that portion of the assessor's full and true value of any improvement, alteration, or construction not regarded as increasing the taxable value of a property pursuant to this act.

360 – 18.10 "Horizontal Property Regime" means a property submitted to a horizontal property regime pursuant to the "Horizontal Property Act," P.L.1963, c.168 (C.46:8A-1 et seq.).

360 – 18.11 "Improvement" means a modernization, rehabilitation, renovation, alteration or repair which produces a physical change in an existing building or structure that improves the safety, sanitation, decency or attractiveness of the building or structure as a place for human habitation, and which does not change its permitted use. In no case shall it include the repair of fire or other damage to a property for which payment of a claim was received by any person from an insurance company at any time during the three year period immediately preceding the filing of an application pursuant to this act.

360 – 18.12 "Multiple dwelling" means a building or structure meeting the definition of "multiple dwelling" set forth in the "Hotel and Multiple Dwelling Law," P.L.1967, c.76 (C.55:13A-1 et seq.), and means for the purpose of improvement or construction the "general common elements" and "common elements" of a condominium, a cooperative, or a horizontal property regime..

360 – 18.13 "Annual period" means a duration of time comprising 365 days, or 366 days when the included month of February has 29 days, that commences on the date that an exemption or abatement for a project becomes effective pursuant to section 16 of P.L.1991, c.441 (C.40A:21-16).

360 – 19 Exemptions and Abatements Permitted –

360 – 19.1 Upon application timely made and approved as provided in this Ordinance, the Assessor is authorized to grant the Exemptions and Abatements described herein for Improvements made to Eligible Dwellings.

360 – 19.2 In determining the value of real property subject to the Exemption, the Assessor shall regard the first \$ 25,000, in assessor's full and true value of Improvements for each Eligible Dwelling unit primarily and directly affected by the Improvement as not increasing the value of the property for a period of five years, notwithstanding that the value of the property to which the Improvements are made is increased thereby. During the exemption period, the assessment on the property shall not be less than the assessment thereon existing immediately prior to the Improvements, unless an abatement is granted pursuant to subsection 360-19.3 of this Article, or there is damage to the dwelling through action of the elements sufficient to warrant a reduction. No Exemption may be granted to a property for Improvement to a Dwelling that is 20 years old or less, or which is otherwise rendered ineligible pursuant section 360-22

360 – 19.3 In addition to the Exemption for Improvements authorized pursuant to subsection 360-19.2 above, the Assessor is also authorized to abate thirty percent (30%) of the assessed value of property receiving the Exemption pursuant to subsection 360-19.2 above, as it existed immediately prior to the Improvement. The

Abatement shall be for a total of up to five years, but the annual amount of the Abatement granted to any single property shall not exceed 30% of the annual amount of the Exemption granted under this Ordinance.

360 – 20 Assessed value of property under Abatement or Exemption.

360 – 20.1 The Assessor shall determine, on October 1 of the year following the date of the completion of an Improvement or Conversion, the true taxable value thereof. The amount of tax to be paid for the tax year in which the Improvement is completed shall be based on the assessed valuation of the property for the current tax year, minus the amount of the abatement, if any, allowed pursuant to this Ordinance and prorated, plus any portion of the assessed valuation of the Improvement not allowed an Exemption pursuant to this Ordinance, also prorated. The property shall continue to be treated in the appropriate manner for each of the four tax years subsequent to the original determination by the Assessor and shall be prorated for the final tax year in which the Exemption and Abatement expires.

360 – 21 Subsequent Abatements or Exemptions, conditions.

360 – 21.1 An additional Improvement, completed on a property granted a previous Exemption and Abatement pursuant to this Ordinance during the period in which such previous Exemption or Abatement is in effect, shall be qualified for an Exemption and Abatement, just as if such property had not received a previous Exemption or Abatement. In such case, the additional Improvement shall be considered as separate for the purposes of calculating Exemptions and Abatements pursuant to this Ordinance, except that the assessed value of any previous Improvement shall be added to the assessed valuation as it was prior to that Improvement for the purpose of determining the assessed valuation of the property from which any additional Abatement is to be subtracted.

360 – 22 Ineligible properties for unpaid or delinquent taxes.

360 – 22.1 No Exemption or Abatement shall be granted pursuant to this Ordinance with respect to any property for which property taxes are delinquent or remain unpaid, or for which penalties for nonpayment of taxes are due.

360 – 23 Applications, forms, records.

360 – 23.1 No Exemption or Abatement shall be granted pursuant to this Ordinance except upon written application therefor timely filed, with and approved by the Assessor. Every application shall be on a form prescribed by the Director of the Division of Taxation in the Department of the Treasury, and provided for the use of claimants by the Upper Deerfield Township Committee, and shall be filed with the Assessor within 30 days, including Saturdays and Sundays, following the Completion of the Improvement. Every application for Exemption and Abatement that is filed within the time specified shall be approved and allowed by the Assessor to the degree that the application is consistent with the provisions of this Ordinance, provided that the Improvement for which the application is made qualifies as an Improvement pursuant to the provisions of this Ordinance. The granting of an Exemption, or Exemption and Abatement, shall relate back to, and take effect as of, the date of Completion of the Improvement for which the Exemption, or Exemption and Abatement, is granted, and shall continue for five annual periods from that date. The grant of the Exemption, or Exemption and Abatement shall be recorded and made a permanent part of the official tax records of Upper Deerfield Township, which record shall contain a notice of the termination date thereof.

James Crilley, Chairman

Adopted August 7, 2014

Attested:

Roy J. Spoltore, Township Clerk

First Reading: July 3, 2014

Publication: July 18, 2014

Publication of Final Adoption: August 12, 2014