

LOCAL FINANCE NOTICE

JAMES E. MCGREEVEY
GOVERNOR

SUSAN BASS LEVIN
COMMISSIONER

JOSEPH P. MONZO
ACTING DIRECTOR

SFY 2004 Statement of State Aid

Enclosed with this Local Finance Notice is your municipality's Statement of State Aid.

Statements have been e-mailed to Tax Collectors that participate in GovConnect, to CFO's in those municipalities that do not have a registered Tax Collector in GovConnect (these CFO's should remind their collector's to register – contact us at 609-943-4724 or egg@dca.state.nj.us with any questions). A spreadsheet with data for all municipalities is available on the Division's web site at: www.nj.gov/dca/lgs/muniaid/aidmenu.shtml

As a reminder, pursuant to N.J.S.A. 54:4-65, the Statement must either be printed on your municipality's property tax bill, or reproduced and included as an insert with the tax bill sent to property owners for the first and second quarters of 2004. For additional information on the process, see Local Finance Notices 92-11 and CTC-95-1.

Extraordinary Aid

Recipients of Extraordinary Aid in SFY 2004 must remember that Extraordinary Aid is designed to provide short-term local property tax relief resulting from extraordinary circumstances beyond the control of the municipality. Municipalities that received aid are expected to take the appropriate budgetary and financial measures necessary to eliminate the need for Extraordinary Aid next year.

REAP Program Information

The State budget includes REAP property tax credits for those municipalities where the average amount of property tax relief to a residential property exceeds \$100. Those municipalities have been previously notified of the award and the amount is shown on their Statement.

Those municipalities that use pre-printed tax bills that already have the REAP column in the Statement of State Aid section can insert a "N/A" or other pre-printed symbol to reflect that the column is not applicable to the municipality. Alternatively, the REAP column from the Statement of State Aid section can be deleted. Tax collectors in municipalities that receive REAP tax relief are reminded that REAP is also credited on tax bills of Class 4C (apartment) parcels. REAP aid will appear on Tenant Property Tax Rebate notices and must be rebated by landlords to their tenants.

Statement of State Aid

The formula for calculating the amount of aid on the Statement includes the following programs:

The Municipal Government line includes:

- Consolidated Municipal Property Tax Relief Aid (entire amount prior to pension savings reduction)
- Energy Receipts Tax — all payments
- Legislative Initiative Municipal Block Grant
- Extraordinary Aid
- Garden State Trust Payment in Lieu of Taxes

The Local and Regional School District line includes:

- Department of Education allocation of State aid funds.
- Regional district aid is apportioned on the same basis as property taxes for the district.
- Estimates of the State's payment for social security costs and Type 1 and Type 2 debt service aid (even though actually paid to the municipality).
- For the first time, this category includes an estimate of State funds used as State aid or to pay for debt service of districts receiving grants from, or having school facilities paid for by the State's School Construction Corporation.

The County portion includes:

- CY 2003 estimated cost savings from the State program assuming certain human service costs, which took effect in 1991
- CY 2003 State resources utilized in the assumption of county court costs
- Apportionment of State education aid provided to County Special Services and Vocational Education Districts (including social security costs, and debt service aid)

A certification must be completed by the tax collector and sent to the Division certifying the mailing of the Statement of State Aid. The certification is on the bottom of the enclosed Statement.

If your Statement is needed for reproduction and was damaged in transit or otherwise unusable, please call the Division at (609) 292-4806 for a replacement. Please share this notice and the form with your Chief Financial Officer immediately.

Distribution: Via GovConnect to Tax Collectors and Chief Financial Officers

New Jersey Department of Community Affairs
 Division of Local Government Services
STATEMENT OF STATE AID FOR SFY 2004 PROPERTY TAX BILLS

This Statement may be reproduced as a separate form to be included with tax bills, or the amounts may be used for computer programs printing the Statement directly on tax bills. The Certification must be completed and submitted to the Division of Local Government Services once tax bills have been mailed. The form must be substantially similar to this, while wording may be changed to accommodate available space as long as meaning is maintained.

Municipality:	County:	
The budgets of the government agencies funded by this tax bill include State funding used to reduce local property taxes as follows:		
	State Aid	REAP Program Tax Credit
Municipal Government		
Local & Regional School District(s)		
County Government		

NEW JERSEY DIVISION OF LOCAL GOVERNMENT SERVICES
CERTIFICATION OF STATEMENT OF STATE AID MAILING
 (to be completed by the Tax Collector)

I, _____, Tax Collector of «Municipality» in «County» County, hereby certify that tax bills mailed for (at minimum) the first and second quarters of 2004 included the required Statement of State Aid. Attached hereto is a copy of the Statement or Tax Bill containing the Statement, as mailed in accordance with Local Finance Notices 92-11 and CTC 2003-3.

Certified by: _____
 Signature License # Date