

**The Revised Tenants' Property Tax Rebate Act
(P.L. 1998, c. 15)
Frequently Asked Questions for Tenants**

Do all tenants living in all rental units qualify for the Tenants' Property Tax Rebate?

No. As of June 1, 1999, the only tenants who qualify for the Tenants' Property Tax Rebate are tenants living in rental properties with five or more units. Single family homes, duplexes, triplexes, condominiums and cooperative apartments, and apartments in buildings with four or less units **do not** qualify. The only exception is units occupied by tenants covered by the Tenant Protection Act of 1992 (P.L. 1991, c. 509), which pertains only to rental units which are being converted to condominiums or cooperative apartments.

When is a landlord obligated to give a rebate to tenants under the revised Tenants' Property Tax Rebate Act?

In three situations:

- 1) Whenever there is a revaluation of all the property in a municipality, and then only if the revaluation results in a lowered property tax assessment of your rental property, and then only for the first year of the revaluation.
- 2) Whenever the property tax rate in the current year is lower than the property tax rate in the "base year." P.L. 1998, c. 15 established 1998 as the first "base year." Each following year that the property tax rate increases becomes the new base year.
- 3) If the property tax payers in the municipality receives are eligible for a REAP (Regional Efficiency Aid Program) property tax credit.

Does a landlord have to rebate any or all of the proceeds from a successful appeal of the property tax assessment on his rental property to his tenants?

As of June 1, 1999, landlords no longer have to rebate any part of the proceeds from a successful appeal of the property tax assessment on a rental property to the tenants. Landlords may now keep 100 per cent of any refund or reduction due to a successful tax appeal for themselves. The judgment year become the new base year.

How can I find out if my landlord is obligated to make a Tenants' Property Tax Rebate Act rebate to me?

From the tax collector of the municipality where you live.

The tax collector in the municipality where I rent my apartment told me to call the State government in Trenton to find out if I am eligible for a Tenants' Property Tax Rebate Act rebate. Can the State tell me if I am eligible for a rebate?

Unfortunately, no. The tax collector has all the records necessary to determine the obligation to pay the rebate, not the State. The computer system that calculates tax bills also generates the Tax Reduction Notices. The computer system will calculate the tax reduction for eligible rental properties. It is the obligation of the tax collector to mail your landlord a Tax Reduction Notice that will notify him of his obligation to give the rebate.

What are my landlord's obligations if he is required to give a Tenants' Property Tax Rebate Act rebate to me?

Within 30 days of receiving a Tax Reduction Notice from the tax collector, a landlord shall:

- Calculate the amount of rebate due each tenant;

- Complete the Rent Rebate Certification and return it to the municipality;

- Post the Rent Rebate Certification prominently where tenants can see it;

- Begin making monthly rebates, nominally on rent payment dates:

 - For Notices received by November 1, the first rebate shall be cumulative from January 1 to 30 days after receipt of the Notice, and the last by December 31.

 - For Notices received after November 1, the first (not cumulative) rebate shall be within 30 days after receipt of the Notice, then monthly thereafter, and the last by June 30.

Can I get my rebate in cash or as a rent credit?

Rebates may be in cash or rent credits, at the landlord's option. They shall be rounded up or down to the nearest dollar, and shall be only for the months of occupancy, with the landlord keeping the balance.

What if my landlord does not post the Rent Rebate Certification or provide me with a copy, if he is obligated to give me a Tenants' Property Tax Rebate Act rebate?

The penalty for landlords in default of the notice and rebate provisions can be a double payment of the rebate amount, paid to tenants who take their claim to municipal court, and a \$100 fine.