



State of New Jersey

DEPARTMENT OF THE TREASURY
DIVISION OF TAXATION
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Memo

To: Municipal Assessors, County Tax Board Administrators & Members

From: Patricia Wright
Assistant Director
Division of Taxation

Subject: P.L. 2011, Chapter 35- signed into law on 3/1/2011, amends N.J.S.A. 54:4-3.6 and provides for sale of unneeded public property to nonprofits for gardening and urban farming and for exemption of such urban farms from property taxation.

Date: 4/01/2011

Public Law 2011, Chapter 35 will allow nonprofit corporations and associations located in any city of the first, second, third or fourth class, to transform vacant properties into gardens for growing fruits and vegetables. The land must be actually used for the cultivation and sale of fresh fruits and vegetables and owned by a duly incorporated nonprofit organization or association. The nonprofit cultivation of previously vacant land and sale of fresh fruits and vegetables must be its principal purpose and is considered a public purpose for which exemption from property taxation is warranted, even in those instances when produce is sold to further the mission of these nonprofit entities.

This act takes effect immediately. See listing of cities of first through fourth classes; the act would afford these city's lands an exemption from property taxation. This listing is based on existing 2000 data, however, when 2010 decennial census data are finalized, the listing of cities by Chapter 35 may change.

PW:pa

APPENDIX B
CLASSIFICATION AND POPULATION OF NEW JERSEY CITIES

<u>MUNICIPALITY</u>	<u>CLASS</u>	<u>COUNTY</u>	<u>POPULATION 2000</u>	<u>POPULATION 1990</u>
NEWARK CITY	1ST	ESSEX	273,546	275,221
JERSEY CITY	1ST	HUDSON	240,055	228,537
PATERSON CITY	2ND	PASSAIC	140,891	137,970
ELIZABETH CITY	2ND	UNION	120,568	110,002
TRENTON CITY	2ND	MERCER	85,403	88,675
CAMDEN CITY	2ND	CAMDEN	79,904	87,492
CLIFTON CITY	2ND	PASSAIC	78,672	71,742
EAST ORANGE CITY	2ND	ESSEX	69,824	73,552
PASSAIC CITY	2ND	PASSAIC	67,861	58,041
UNION CITY	2ND	HUDSON	67,088	58,012
BAYONNE CITY	2ND	HUDSON	61,842	61,444
VINELAND CITY	2ND	CUMBERLAND	56,271	54,780
NEW BRUNSWICK CITY	2ND	MIDDLESEX	48,573	41,711
PLAINFIELD CITY	2ND	UNION	47,829	46,567
PERTH AMBOY CITY	2ND	MIDDLESEX	47,303	41,967
HACKENSACK CITY	2ND	BERGEN	42,677	37,049
LINDEN CITY	2ND	UNION	39,394	36,701
HOBOKEN CITY	2ND	HUDSON	38,577	33,397
GARFIELD CITY	2ND	BERGEN	29,786	26,727
MILLVILLE CITY	2ND	CUMBERLAND	26,847	25,992
RAHWAY CITY	2ND	UNION	26,500	25,325
ENGLEWOOD CITY	2ND	BERGEN	26,203	24,850
BRIDGETON CITY	2ND	CUMBERLAND	22,771	18,942
SUMMIT CITY	2ND	UNION	21,131	19,757
PLEASANTVILLE CITY	2ND	ATLANTIC	19,012	16,027
SOMERS POINT CITY	3RD	ATLANTIC	11,614	11,216
GLOUCESTER CITY	3RD	CAMDEN	11,484	12,649
WOODBURY CITY	3RD	GLOUCESTER	10,307	10,904
BURLINGTON CITY	3RD	BURLINGTON	9,736	9,835
SOUTH AMBOY CITY	3RD	MIDDLESEX	7,913	7,863
NORTHFIELD CITY	3RD	ATLANTIC	7,725	7,305
ABSECON CITY	3RD	ATLANTIC	7,638	7,298
LINWOOD CITY	3RD	ATLANTIC	7,172	6,866
SALEM CITY	3RD	SALEM	5,857	6,883
EGG HARBOR CITY	3RD	ATLANTIC	4,545	4,583
BORDENTOWN CITY	3RD	BURLINGTON	3,696	4,341
LAMBERTVILLE CITY	3RD	HUNTERDON	3,868	3,927
BEVERLY CITY	3RD	BURLINGTON	2,661	2,973
ESTELL MANOR CITY	3RD	ATLANTIC	1,585	1,404
			<u>POPULATION</u>	<u>POPULATION</u>
<u>MUNICIPALITY</u>	<u>CLASS</u>	<u>COUNTY</u>	<u>2000</u>	<u>1990</u>

PORT REPUBLIC CITY	3RD	ATLANTIC	1,037	992
CORBIN CITY	3RD	ATLANTIC	468	412
ATLANTIC CITY	4TH	ATLANTIC	40,517	37,986
LONG BRANCH CITY	4TH	MONMOUTH	31,340	28,658
ASBURY PARK CITY	4TH	MONMOUTH	16,930	16,799
OCEAN CITY	4TH	CAPE MAY	15,378	15,512
VENTNOR CITY	4TH	ATLANTIC	12,910	11,005
BRIGANTINE CITY	4TH	ATLANTIC	12,594	11,354
MARGATE CITY	4TH	ATLANTIC	8,193	8,431
WILDWOOD CITY	4TH	CAPE MAY	5,436	4,484
N. WILDWOOD CITY	4TH	CAPE MAY	4,935	5,017
CAPE MAY CITY	4TH	CAPE MAY	4,034	4,668
SEA ISLE CITY	4TH	CAPE MAY	2,835	2,692

P.L.2011, CHAPTER 35, *approved March 1, 2011*
Assembly, No. 2859 (*Second Reprint*)

1 AN ACT concerning the lease and sale of certain property not
2 needed for public purposes to certain nonprofits to encourage
3 and facilitate urban farming and gardening, and providing a
4 property tax exemption for land leased or sold for urban farms,
5 amending and supplementing P.L.1971, c.199 and amending
6 R.S.54:4-3.6.

7
8 **BE IT ENACTED** by the Senate and General Assembly of the State
9 of New Jersey:

- 10
11 1. (New section) The Legislature finds and declares:
12 a. There exists in certain older, urban municipalities an excess
13 of vacant property that is not needed for public use; and
14 b. Vacant properties present numerous problems for these
15 municipalities such as: presenting the opportunity for criminal
16 activity, deterring neighboring property owners from improving
17 their properties and prospective purchasers and renters from
18 locating into these areas, and serving as a location to dispose of
19 unwanted items; and
20 c. These municipalities are often centers of high and increasing
21 populations and population densities comprised, in part, of lower
22 income families; and
23 d. Due, in part, to increasing population densities, the
24 deterioration of infrastructure such as parks, and fiscal constraints,
25 these municipalities have been challenged to offer residents
26 opportunities to enhance the quality of their lives; and
27 e. Due to the scarcity of full service supermarkets and farmer's
28 markets within these municipalities, municipal residents often
29 suffer from a shortage of fresh fruits and vegetables; and
30 f. The shortages of recreational opportunities and sources of
31 fresh fruits and vegetables have contributed to alarming increases in
32 childhood obesity and other adverse health consequences for
33 municipal residents; and
34 g. While provisions of statutory law authorize local units to
35 lease or sell property that is not needed for public use in order to
36 further various public purposes, these statutory provisions limit
37 municipalities from enlisting the assistance of nonprofit entities to
38 develop these properties for a range of public purposes that could

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly ABU committee amendments adopted December 9, 2010.

²Assembly floor amendments adopted January 6, 2011.

1 enhance the recreational, educational, and nutritional needs of local
2 residents; and

3 h. Authorization for local units to lease and sell vacant land to
4 nonprofit entities to cultivate these lands can provide both
5 recreational opportunities and a source of fresh, locally grown fruits
6 and vegetables for local residents; and

7 i. The nonprofit cultivation of previously vacant land by
8 nonprofit entities is a public purpose for which the long term lease
9 and sale of these properties, and exemption from property taxation
10 therefore, is warranted, even in those instances when produce is
11 sold to further the mission of these nonprofit entities.

12
13 ¹[2. Section 15 of P.L.1971, c.199 (C.40A:12-15) is amended to
14 read as follows:

15 15. Purposes for which leases for a public purpose may be made.

16 A leasehold for a term not in excess of 50 years may be made
17 pursuant to this act and extended for an additional 25 years by
18 ordinance or resolution thereafter for any county or municipal
19 public purpose, including, but not limited to:

20 (a) The provision of fire protection, first aid, rescue and
21 emergency services by an association duly incorporated for such
22 purposes.

23 (b) The provision of health care or services by a nonprofit clinic,
24 hospital, residential home, outpatient center or other similar
25 corporation or association.

26 (c) The housing, recreation, education or health care of veterans
27 of any war of the United States by any nonprofit corporation or
28 association.

29 (d) Mental health or psychiatric services or education for the
30 mentally ill, mentally retarded, or mentally defective by any
31 nonprofit corporation or association.

32 (e) Any shelter care or services for persons aged 62 or over
33 receiving Social Security payments, pensions, or disability benefits
34 which constitute a substantial portion of the gross income by any
35 nonprofit corporation or association.

36 (f) Services or care for the education or treatment of cerebral
37 palsy patients by any nonprofit corporation or association.

38 (g) Any civic or historic programs or activities by duly
39 incorporated historical societies.

40 (h) Services, education, training, care or treatment of poor or
41 indigent persons or families by any nonprofit corporation or
42 association.

43 (i) Any activity for the promotion of the health, safety, morals
44 and general welfare of the community of any nonprofit corporation
45 or association.

46 (j) The cultivation or use of vacant lots for gardening or
47 recreational purposes.

1 (k) The provision of electrical transmission service across the
2 lines of a public utility for a county or municipality pursuant to
3 R.S.40:62-12 through R.S.40:62-25.

4 (l) In any city of the first or second class, the lease of a tract of
5 land of less than five acres to a nonprofit corporation or association
6 to cultivate and sell fresh fruits and vegetables.

7 Except as otherwise provided in subsection (k) of this section, in
8 no event shall any lease under this section be entered into for, with,
9 or on behalf of any commercial, business, trade, manufacturing,
10 wholesaling, retailing, or other profit-making enterprise, nor shall
11 any lease pursuant to this section be entered into with any political,
12 partisan, sectarian, denominational or religious corporation or
13 association, or for any political, partisan, sectarian, denominational
14 or religious purpose, except that a county or municipality may enter
15 into a lease for the use permitted under subsection (j) with a
16 sectarian, denominational or religious corporation; provided the
17 property is not used for a sectarian, denominational or religious
18 purpose. In the case of a municipality the governing body may
19 designate the municipal manager, business administrator or any
20 other municipal official for the purpose of entering into a lease for
21 the use permitted under subsection (j). Any lease entered into
22 pursuant to subsection (l) with a non-profit corporation or
23 association may permit the non-profit corporation or association to
24 sell fresh fruits and vegetables on the leased land, off the leased
25 land, or both, provided, that the sales are related and incidental to
26 the non-profit purposes of the corporation or association and the net
27 proceeds received by the non-profit corporation or association are
28 used to further the non-profit purposes of the corporation or
29 association. Property leased pursuant to subsection (l) of this
30 section shall be exempt from property taxation.

31 (cf: P.L.1991, c.143, s.6)]¹

32
33 ¹2. Section 15 of P.L.1971, c.199 (C.40A:12-15) is amended to
34 read as follows:

35 15. Purposes for which leases for a public purpose may be made.

36 A leasehold for a term not in excess of 50 years may be made
37 pursuant to this act and extended for an additional 25 years by
38 ordinance or resolution thereafter for any county or municipal
39 public purpose, including, but not limited to:

40 (a) The provision of fire protection, first aid, rescue and
41 emergency services by an association duly incorporated for such
42 purposes.

43 (b) The provision of health care or services by a nonprofit
44 clinic, hospital, residential home, outpatient center or other similar
45 corporation or association.

46 (c) The housing, recreation, education or health care of veterans
47 of any war of the United States by any nonprofit corporation or
48 association.

1 (d) Mental health or psychiatric services or education for
2 persons with mental illness, persons with a mental deficiency, or
3 persons with intellectual disabilities by any nonprofit corporation or
4 association.

5 (e) Any shelter care or services for persons aged 62 or over
6 receiving Social Security payments, pensions, or disability benefits
7 which constitute a substantial portion of the gross income by any
8 nonprofit corporation or association.

9 (f) Services or care for the education or treatment of cerebral
10 palsy patients by any nonprofit corporation or association.

11 (g) Any civic or historic programs or activities by duly
12 incorporated historical societies.

13 (h) Services, education, training, care or treatment of poor or
14 indigent persons or families by any nonprofit corporation or
15 association.

16 (i) Any activity for the promotion of the health, safety, morals
17 and general welfare of the community of any nonprofit corporation
18 or association.

19 (j) The cultivation or use of vacant lots for gardening or
20 recreational purposes.

21 (k) The provision of electrical transmission service across the
22 lines of a public utility for a county or municipality pursuant to
23 R.S.40:62-12 through R.S.40:62-25.

24 (l) In any city of the first, second, third or fourth class, the lease
25 of a tract of land of less than five acres to a nonprofit corporation or
26 association to cultivate and sell fresh fruits and vegetables.

27 Except as otherwise provided in subsection (k) of this section, in
28 no event shall any lease under this section be entered into for, with,
29 or on behalf of any commercial, business, trade, manufacturing,
30 wholesaling, retailing, or other profit-making enterprise, nor shall
31 any lease pursuant to this section be entered into with any political,
32 partisan, sectarian, denominational or religious corporation or
33 association, or for any political, partisan, sectarian, denominational
34 or religious purpose, except that a county or municipality may enter
35 into a lease for the use permitted under subsection (j) with a
36 sectarian, denominational or religious corporation; provided the
37 property is not used for a sectarian, denominational or religious
38 purpose. In the case of a municipality the governing body may
39 designate the municipal manager, business administrator or any
40 other municipal official for the purpose of entering into a lease for
41 the use permitted under subsection (j). Any lease entered into
42 pursuant to subsection (l) with a non-profit corporation or
43 association may permit the non-profit corporation or association to
44 sell fresh fruits and vegetables on the leased land, off the leased
45 land, or both, provided, that the sales are related and incidental to
46 the non-profit purposes of the corporation or association and the net
47 proceeds received by the non-profit corporation or association are
48 used to further the non-profit purposes of the corporation or

1 association. Property leased pursuant to subsection (l) of this
2 section shall be exempt from property taxation.¹

3 (cf: P.L.2010, c.50, s.68)

4
5 3. Section 21 of P.L.1971, c.199 (C.40A:12-21) is amended to
6 read as follows:

7 21. Private sales to certain organizations upon nominal
8 consideration. When the governing body of any county or
9 municipality shall determine that all or any part of a tract of land,
10 with or without improvements, owned by the county or
11 municipality, is not then needed for county or municipal purposes,
12 as the case may be, said governing body, by resolution or
13 ordinance, may authorize a private sale and conveyance of the
14 same, or any part thereof without compliance with any other law
15 governing disposal of lands by counties and municipalities, for a
16 consideration, which may be nominal, and containing a limitation
17 that such lands or buildings shall be used only for the purposes of
18 such organization or association, and to render such services or to
19 provide such facilities as may be agreed upon, and except as
20 provided in subsection (n) of this section not for commercial
21 business, trade or manufacture, and that, unless waived, released,
22 modified, or subordinated pursuant to P.L.1943, c.33 (C.40:60-
23 51.2), if said lands or buildings are not used in accordance with said
24 limitation, title thereto shall revert to the county or municipality
25 without any entry or reentry made thereon on behalf of such county
26 or municipality, to

27 (a) A duly incorporated volunteer fire company or board of fire
28 commissioners or first aid and emergency or volunteer ambulance
29 or rescue squad association of a municipality within the county, in
30 the case of a county, or of the municipality, in the case of a
31 municipality, for the construction thereon of a firehouse or fire
32 school or a first aid and emergency or volunteer ambulance or
33 rescue squad building or for the use of any existing building for any
34 or all of said purposes and any such land or building sold to any
35 duly incorporated volunteer fire company may be leased by such
36 fire company to any volunteer firemen's association for the use
37 thereof for fire school purposes for the benefit of the members of
38 such association, or

39 (b) Any nationally chartered organization or association of
40 veterans of any war, in which the United States has or shall have
41 been engaged, by a conveyance for consideration, a part of which
42 may be an agreement by the organization or association to render
43 service or to provide facilities for the general public of the county
44 or municipality, of a kind which the county or municipality may
45 furnish to its citizens and to the general public, or

46 (c) A duly incorporated nonprofit hospital association for the
47 construction or maintenance thereon of a general hospital, or

1 (d) Any paraplegic veteran, that is to say, any officer, soldier,
2 sailor, marine, nurse or other person, regularly enlisted or inducted,
3 who was or shall have been in the active military or naval forces of
4 the United States in any war in which the United States was
5 engaged, including any member of the American Merchant Marine
6 during World War II who is declared by the United States
7 Department of Defense to be eligible for federal veterans' benefits,
8 and who, at the time he was commissioned, enlisted, inducted,
9 appointed or mustered into such military or naval service, was a
10 resident of and who continues to reside in this State, who is
11 suffering from paraplegia and has permanent paralysis of both legs
12 or the lower parts of the body resulting from injuries sustained
13 through enemy action or accident while in such active military or
14 naval service, for the construction of a home to domicile him, or to
15 any organization or association of veterans, for the construction of a
16 home or homes to domicile paraplegic veterans, with powers to
17 convey said lands and premises to the paraplegic veteran or
18 veterans on whose behalf said organization or association shall
19 acquire title to said land, or

20 (e) Any duly incorporated nonprofit association or any regional
21 commission or authority composed of one or more municipalities or
22 one or more counties for the construction or maintenance thereon of
23 an animal shelter, or

24 (f) Any duly incorporated nonprofit historical society for the
25 acquisition of publicly owned historic sites for their restoration,
26 preservation, improvement and utilization for the benefit of the
27 general public, or

28 (g) Any duly incorporated nonprofit cemetery organization or
29 association serving the residents of the municipality or county, or

30 (h) Any duly incorporated nonprofit organization for the
31 principal purpose of the education or treatment of persons afflicted
32 with developmental disabilities including cerebral palsy, or

33 (i) Any county or municipal sewerage authority serving the
34 residents of the county or municipality, for the use thereof for
35 sewerage authority purposes, or

36 (j) Any duly incorporated nonprofit organization for the purpose
37 of building or rehabilitating residential property for resale. Any
38 profits from the resale of the property shall be applied by the
39 nonprofit organization to the costs of acquiring and rehabilitating
40 other residential property in need of rehabilitation owned by the
41 county or municipality, or

42 (k) Any duly incorporated nonprofit organization or association,
43 other than a political, partisan, sectarian, denominational or
44 religious organization or association, which includes among its
45 principal purposes the provision of educational, gardening,
46 recreational, medical or social services to the general public,
47 including residents of the county or municipality, or

1 (l) Any duly incorporated nonprofit housing corporation or any
2 limited-dividend housing corporation or housing association
3 organized pursuant to P.L.1949, c.184 (C.55:16-1 et seq.) for the
4 purpose of constructing housing for low or moderate income
5 persons or families or handicapped persons, or

6 (m) Any duly incorporated nonprofit hospice organization whose
7 principal purpose is to provide hospice services to the terminally ill,
8 or

9 (n) Any duly incorporated nonprofit organization or association
10 for the cultivation and sale of fresh fruits and vegetables on a tract
11 of land of less than five acres within a city of the first ' [or] ,'
12 second¹, third or fourth¹ class, provided that the nonprofit
13 organization or association is not controlled, directly or indirectly,
14 by any agricultural, commercial, or other business. The nonprofit
15 organization or association shall be authorized to sell fresh fruits
16 and vegetables either on the land that was conveyed, off that land,
17 or both, provided, that the sales are related and incidental to the
18 non-profit purposes of the organization or association and the net
19 proceeds received by the nonprofit organization or association are
20 used to further the non-profit purposes of the organization or
21 association.

22 ²Whenever a sale of property is proposed pursuant to subsection
23 (k), for gardening, or subsection (n) of this section, the county or
24 municipality shall comply with all notice requirements for an
25 application for development under section 7.1 of P.L.1975, c.291
26 (C.40:55D-12).²

27 (cf: P.L.2005, c.52, s.2)

28

29 ¹[4.R.S.54:4-3.6 is amended to read as follows:

30 54:4-3.6. The following property shall be exempt from taxation
31 under this chapter: all buildings actually used for colleges, schools,
32 academies or seminaries, provided that if any portion of such
33 buildings are leased to profit-making organizations or otherwise
34 used for purposes which are not themselves exempt from taxation,
35 said portion shall be subject to taxation and the remaining portion
36 only shall be exempt; all buildings actually used for historical
37 societies, associations or exhibitions, when owned by the State,
38 county or any political subdivision thereof or when located on land
39 owned by an educational institution which derives its primary
40 support from State revenue; all buildings actually and exclusively
41 used for public libraries, asylum or schools for feeble-minded or
42 idiotic persons and children; all buildings used exclusively by any
43 association or corporation formed for the purpose and actually
44 engaged in the work of preventing cruelty to animals; all buildings
45 actually and exclusively used and owned by volunteer first-aid
46 squads, which squads are or shall be incorporated as associations
47 not for pecuniary profit; all buildings actually used in the work of

1 associations and corporations organized exclusively for the moral
2 and mental improvement of men, women and children, provided
3 that if any portion of a building used for that purpose is leased to
4 profit-making organizations or is otherwise used for purposes which
5 are not themselves exempt from taxation, that portion shall be
6 subject to taxation and the remaining portion only shall be exempt;
7 all buildings actually used in the work of associations and
8 corporations organized exclusively for religious purposes, including
9 religious worship, or charitable purposes, provided that if any
10 portion of a building used for that purpose is leased to a profit-
11 making organization or is otherwise used for purposes which are not
12 themselves exempt from taxation, that portion shall be subject to
13 taxation and the remaining portion shall be exempt from taxation,
14 and provided further that if any portion of a building is used for a
15 different exempt use by an exempt entity, that portion shall also be
16 exempt from taxation; all buildings actually used in the work of
17 associations and corporations organized exclusively for hospital
18 purposes, provided that if any portion of a building used for hospital
19 purposes is leased to profit-making organizations or otherwise used
20 for purposes which are not themselves exempt from taxation, that
21 portion shall be subject to taxation and the remaining portion only
22 shall be exempt; all buildings owned or held by an association or
23 corporation created for the purpose of holding the title to such
24 buildings as are actually and exclusively used in the work of two or
25 more associations or corporations organized exclusively for the
26 moral and mental improvement of men, women and children; all
27 buildings owned by a corporation created under or otherwise
28 subject to the provisions of Title 15 of the Revised Statutes or Title
29 15A of the New Jersey Statutes and actually and exclusively used in
30 the work of one or more associations or corporations organized
31 exclusively for charitable or religious purposes, which associations
32 or corporations may or may not pay rent for the use of the premises
33 or the portions of the premises used by them; the buildings, not
34 exceeding two, actually occupied as a parsonage by the officiating
35 clergymen of any religious corporation of this State, together with
36 the accessory buildings located on the same premises; the land
37 whereon any of the buildings hereinbefore mentioned are erected,
38 and which may be necessary for the fair enjoyment thereof, and
39 which is devoted to the purposes above mentioned and to no other
40 purpose and does not exceed five acres in extent; the furniture and
41 personal property in said buildings if used in and devoted to the
42 purposes above mentioned; all property owned and used by any
43 nonprofit corporation in connection with its curriculum, work, care,
44 treatment and study of feeble-minded, mentally retarded, or idiotic
45 men, women, or children shall also be exempt from taxation,
46 provided that such corporation conducts and maintains research or
47 professional training facilities for the care and training of
48 feeble-minded, mentally retarded, or idiotic men, women, or

1 children; provided, in case of all the foregoing, the buildings, or the
2 lands on which they stand, or the associations, corporations or
3 institutions using and occupying them as aforesaid, are not
4 conducted for profit, except that the exemption of the buildings and
5 lands used for charitable, benevolent or religious purposes shall
6 extend to cases where the charitable, benevolent or religious work
7 therein carried on is supported partly by fees and charges received
8 from or on behalf of beneficiaries using or occupying the buildings;
9 provided the building is wholly controlled by and the entire income
10 therefrom is used for said charitable, benevolent or religious
11 purposes; and any tract of land purchased pursuant to subsection (n)
12 of section 21 of P.L.1971, c.199 (C.40A:12-21), and located within
13 a city of the first or second class, actually used for the cultivation
14 and sale of fresh fruits and vegetables and owned by a duly
15 incorporated nonprofit organization or association which includes
16 among its principal purposes the cultivation and sale of fresh fruits
17 and vegetables, other than a political, partisan, sectarian,
18 denominational or religious organization or association. The
19 foregoing exemption shall apply only where the association,
20 corporation or institution claiming the exemption owns the property
21 in question and is incorporated or organized under the laws of this
22 State and authorized to carry out the purposes on account of which
23 the exemption is claimed or where an educational institution, as
24 provided herein, has leased said property to a historical society or
25 association or to a corporation organized for such purposes and
26 created under or otherwise subject to the provisions of Title 15 of
27 the Revised Statutes or Title 15A of the New Jersey Statutes.

28 As used in this section "hospital purposes" includes health care
29 facilities for the elderly, such as nursing homes; residential health
30 care facilities; assisted living residences; facilities with a Class C
31 license pursuant to P.L.1979, c.496 (C.55:13B-1 et al.), the
32 "Rooming and Boarding House Act of 1979"; similar facilities that
33 provide medical, nursing or personal care services to their residents;
34 and that portion of the central administrative or service facility of a
35 continuing care retirement community that is reasonably allocable
36 as a health care facility for the elderly.
37 (cf: P.L.2001, c.18, s.1)]¹

38

39 ¹4. R.S.54:4-3.6 is amended to read as follows:

40 54:4-3.6. The following property shall be exempt from taxation
41 under this chapter: all buildings actually used for colleges, schools,
42 academies or seminaries, provided that if any portion of such
43 buildings are leased to profit-making organizations or otherwise
44 used for purposes which are not themselves exempt from taxation,
45 said portion shall be subject to taxation and the remaining portion
46 only shall be exempt; all buildings actually used for historical
47 societies, associations or exhibitions, when owned by the State,
48 county or any political subdivision thereof or when located on land

1 owned by an educational institution which derives its primary
2 support from State revenue; all buildings actually and exclusively
3 used for public libraries, asylum or schools for adults and children
4 with intellectual disabilities; all buildings used exclusively by any
5 association or corporation formed for the purpose and actually
6 engaged in the work of preventing cruelty to animals; all buildings
7 actually and exclusively used and owned by volunteer first-aid
8 squads, which squads are or shall be incorporated as associations
9 not for pecuniary profit; all buildings actually used in the work of
10 associations and corporations organized exclusively for the moral
11 and mental improvement of men, women and children, provided
12 that if any portion of a building used for that purpose is leased to
13 profit-making organizations or is otherwise used for purposes which
14 are not themselves exempt from taxation, that portion shall be
15 subject to taxation and the remaining portion only shall be exempt;
16 all buildings actually used in the work of associations and
17 corporations organized exclusively for religious purposes, including
18 religious worship, or charitable purposes, provided that if any
19 portion of a building used for that purpose is leased to a profit-
20 making organization or is otherwise used for purposes which are not
21 themselves exempt from taxation, that portion shall be subject to
22 taxation and the remaining portion shall be exempt from taxation,
23 and provided further that if any portion of a building is used for a
24 different exempt use by an exempt entity, that portion shall also be
25 exempt from taxation; all buildings actually used in the work of
26 associations and corporations organized exclusively for hospital
27 purposes, provided that if any portion of a building used for hospital
28 purposes is leased to profit-making organizations or otherwise used
29 for purposes which are not themselves exempt from taxation, that
30 portion shall be subject to taxation and the remaining portion only
31 shall be exempt; all buildings owned or held by an association or
32 corporation created for the purpose of holding the title to such
33 buildings as are actually and exclusively used in the work of two or
34 more associations or corporations organized exclusively for the
35 moral and mental improvement of men, women and children; all
36 buildings owned by a corporation created under or otherwise
37 subject to the provisions of Title 15 of the Revised Statutes or Title
38 15A of the New Jersey Statutes and actually and exclusively used in
39 the work of one or more associations or corporations organized
40 exclusively for charitable or religious purposes, which associations
41 or corporations may or may not pay rent for the use of the premises
42 or the portions of the premises used by them; the buildings, not
43 exceeding two, actually occupied as a parsonage by the officiating
44 clergymen of any religious corporation of this State, together with
45 the accessory buildings located on the same premises; the land
46 whereon any of the buildings hereinbefore mentioned are erected,
47 and which may be necessary for the fair enjoyment thereof, and
48 which is devoted to the purposes above mentioned and to no other

1 purpose and does not exceed five acres in extent; the furniture and
2 personal property in said buildings if used in and devoted to the
3 purposes above mentioned; all property owned and used by any
4 nonprofit corporation in connection with its curriculum, work, care,
5 treatment and study of men, women, or children with intellectual
6 disabilities shall also be exempt from taxation, provided that such
7 corporation conducts and maintains research or professional
8 training facilities for the care and training of men, women, or
9 children with intellectual disabilities; provided, in case of all the
10 foregoing, the buildings, or the lands on which they stand, or the
11 associations, corporations or institutions using and occupying them
12 as aforesaid, are not conducted for profit, except that the exemption
13 of the buildings and lands used for charitable, benevolent or
14 religious purposes shall extend to cases where the charitable,
15 benevolent or religious work therein carried on is supported partly
16 by fees and charges received from or on behalf of beneficiaries
17 using or occupying the buildings; provided the building is wholly
18 controlled by and the entire income therefrom is used for said
19 charitable, benevolent or religious purposes; and any tract of land
20 purchased pursuant to subsection (n) of section 21 of P.L.1971,
21 c.199 (C.40A:12-21), and located within a city of the first, second,
22 third or fourth class, actually used for the cultivation and sale of
23 fresh fruits and vegetables and owned by a duly incorporated
24 nonprofit organization or association which includes among its
25 principal purposes the cultivation and sale of fresh fruits and
26 vegetables, other than a political, partisan, sectarian,
27 denominational or religious organization or association. The
28 foregoing exemption shall apply only where the association,
29 corporation or institution claiming the exemption owns the property
30 in question and is incorporated or organized under the laws of this
31 State and authorized to carry out the purposes on account of which
32 the exemption is claimed or where an educational institution, as
33 provided herein, has leased said property to a historical society or
34 association or to a corporation organized for such purposes and
35 created under or otherwise subject to the provisions of Title 15 of
36 the Revised Statutes or Title 15A of the New Jersey Statutes.

37 As used in this section "hospital purposes" includes health care
38 facilities for the elderly, such as nursing homes; residential health
39 care facilities; assisted living residences; facilities with a Class C
40 license pursuant to P.L.1979, c.496 (C.55:13B-1 et al.), the
41 "Rooming and Boarding House Act of 1979"; similar facilities that
42 provide medical, nursing or personal care services to their residents;
43 and that portion of the central administrative or service facility of a
44 continuing care retirement community that is reasonably allocable
45 as a health care facility for the elderly.¹

46 (cf: P.L.2010, c.50, s.81)

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48 5. This act shall take effect immediately.

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Authorizes sale and lease of unneeded public property to certain nonprofits for gardening and urban farming and exempts such urban farms from property taxation.