

RE: Homestead Benefit Application Begins

For the first time, New Jersey will be providing property tax relief to homeowners through a tax credit on their property tax bill instead of direct rebate check. The Department of Treasury has begun to mail out the application packets and your eligible residents may have already received their application. The deadline for all homeowners to file their application is November 1, 2010.

Homeowners who meet the eligibility requirements will receive a partial credit for property taxes they paid in 2009 against their property tax bills for the second quarter of 2011. To be eligible for the program a person must be a New Jersey resident who owned a principal residence on October 1, 2009, and paid property taxes on that home and reported \$75,000 or less in New Jersey gross income in 2009, or if they are a senior or disabled citizen with 2009 gross income of \$150,000 or less.

For more information on the Homestead Benefit Program, homeowners may call the Division of Taxation's Homestead Benefit Hotline at 1-888-239-1233 from 8:30 a.m. to 4:30 p.m., Monday through Friday. Homestead benefit information is also available on the Division's website at www.state.nj.us/treasury/taxation/2009homesteadinfo.shtml and through its Automated Tax Information System at 1-800-323-4400. Text telephone service for the hearing impaired is provided at 1-800-286-6613 or 609-984-7300. Once they receive their applications, homeowners can file by phone by calling 1-877-658-2972, or online at: www.state.nj.us/treasury/taxation/.

The Homestead Benefit Program is different from the Senior Freeze (Property Tax Reimbursement) Program. A comparison of the eligibility requirements for these two programs can be found on the Division's website at: www.state.nj.us/treasury/taxation/. Applications for the Senior Freeze Program are also due by November 1, 2010.

The tentative schedule for the Homestead Rebate Program is as follows:

- ◆ September 2010: Application for 2009 will be mailed out
- ◆ November 1, 2010: Applications are due
- ◆ March 1, 2011: Division of Taxation will provide municipalities and their IT system vendors an electronic file that includes the calculation of the Homestead Benefit the municipalities are to apply to the May 2011 bill.
- ◆ April 1, 2011: Municipalities issue second mailing with 2nd Quarter stub by April 1, 2011 with a May 1, 2011 due date. The state will reimburse the municipalities for the cost of the mailing but not labor.
- ◆ May 1, 2011: State will transfer funds equal to the Homestead Benefit to each municipality.

Applications for the 2010 rebate will be mailed by April 30, 2011 for credits to be applied in the first quarter and second quarter property tax bills.