

Good afternoon Chairperson Zeveloff and members of the Task Force.

I am honored to be able to speak with you today on behalf of the tax professional community in New Jersey.

I was very pleased to hear about the new Stay NJ program recently. It is a daunting task to try to meld this new program with the homestead rebate/Anchor and Property Tax Reimbursement (Senior Freeze) into one cohesive plan. While speaking on behalf of the tax professionals, I realize that we are not the only ones this law will affect as shown by the representation on this task force and the speakers here today. Each city and township in our wonderful State of NJ is involved in the execution of this law from the Mayor's offices to the various Tax Offices and Tax Collectors who are responsible for applying the benefits to their residents.

After having been a tax professional and enrolled agent for 42 years, I feel that I can express some thoughts for the tax professional community. Each year more and

more of my clients became confused and asked for help in applying for the various programs. While this law is expected to benefit senior citizens the most, I found many of my non-senior clients looking forward to the Anchor rebates as well. Tenants were particularly happy to be included. However, only a very small percentage of my clients was even aware of the Anchor program. Some even said they thought it was a scam and threw away the paperwork. Many more of the older clients only found out about the Senior Freeze when their friends said they received money. I may be part of dying breed of tax professional since I still sit with the client and prepare their tax returns while they are present. It is during this time that I felt that it was my job to review my clients age and other qualifications and then make sure they were aware of the programs they could apply for and to help them through the process. When I mentioned multiple programs, I was often successful in confusing them even more. Therefore, the most imperative item for this Task Force to consider is simplicity and clear communication with the residents of the State of NJ. And clear communication should be accompanied by an education and marketing effort to reach seniors and inform them of what is available to them. The only way to do this is to

②

simplify the application process, and align program qualification requirements. If you don't, no matter how great an effort you put into education, it will not resonate with the senior community.

Currently each program has its own separate due date, its own separate date the applications are available, its own separate definition of qualifying income with differing maximum income limits, its own qualifications to receive the benefits of each program. Some applications are electronic, some are mostly paper (Senior Freeze), and sometimes there is a choice. As a tax professional, I have learned how to help my clients. Many of the clients would never be able to negotiate the labyrinth without help. You can assist both the tax professional community and the residents of this state by making the process – simple.

You also would help both seniors and preparers by rolling the application process back to February so that seniors who need help from the preparer community can seek assistance at the same time they are having their taxes prepared. The current legislation requires a July 1 start date which means that many seniors will seek assistance

over the summer, requiring second visit to their preparer, possibly incurring additional costs to obtain a benefit they are entitled to.

We need one due date, one definition of income, one set of qualifications and, of course, one application which should be part of the NJ-1040 tax return. Currently, I know many tax professionals hold the "blue books" until after tax season and into the summer. Then clients must return to the tax professionals office to pick them up, take them to township to get signed and then mail them. Especially our senior citizens, who will probably be the biggest beneficiaries of this new law, should not have to make multiple trips to the tax professionals office to retrieve paperwork. Simplifying the process would go a long way in avoiding these multiple trips. Seniors are often confused about how benefits are paid. Adding a third program that is strictly credits while the other programs are paid by direct deposit or check will only make matters worse. Under the law as I understand it, some seniors will receive credits because their STAY NJ benefit is higher and some seniors will receive direct payments because their combined Freeze and ANCHOR benefit is higher. This seems to be inviting a ton of criticism when seniors start comparing their benefits.

Perhaps giving seniors a choice of how they wish to receive benefits is worth considering.

What I see as necessary at this time is to align due dates for the applications and start the process earlier in the year. Align the definition of income across all programs so that most information can be taken from the NJ tax returns for those seniors with a filing requirement. Additionally, standardizing the age requirement and residency requirements will enable a more simple application. Finally addressing a better and more cohesive method for delivering benefits than what is anticipated under the new law is critical. Delivering benefits in different manners from one senior to the next just seems to be something the Task Force should avoid. Remembering back in time, the old homestead rebate was part of the NJ-1040. It was logical – all the required information was right there in front of me. On behalf of the tax professional community and our citizens, particularly our Seniors, I would ask this Task Force to proceed to please do their best to keep the application as simple as possible and to include it as part of the NJ-1040 tax return or be based on information as filed on the NJ return, with the goal to make it part of the tax return eventually.

5

I appreciate the opportunity to speak to you today and express some of my thoughts. Thank you for allowing me to be here today.

6