



State of New Jersey

Department of the Treasury

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Larger Property Tax Relief Checks On the Way

WEST TRENTON – Governor Jon S. Corzine today announced that the second and final wave of 2006 Homestead Rebate property tax relief checks -- 1.1 million -- have been loaded on mail trucks for delivery and would be arriving in the mailboxes of New Jersey homeowners beginning tomorrow.

“These checks provide much-needed, immediate relief to New Jersey homeowners,” said Governor Corzine. “Today we are delivering on a promise to help hard-working families shoulder the onerous property tax burden, while resolving to ensure that long term reforms take hold and bring property taxes under control.”

Assembly Speaker Joseph Robert, who joined Governor Corzine at today’s check distribution point – the Office of Information Technology’s “Hub,” added: “These rebate checks are a down payment on the Legislature’s commitment to provide immediate property tax relief and long-term property tax reform. We are putting more relief directly into the hands of property taxpayers than at any other time in state history and more reforms are on the way.”

“Very soon homeowners will experience the largest level of property tax relief in state history,” said Senate President Richard J. Codey. “Rest assured, the totality of our efforts will produce reform over time and in the interim taxpayers will get much-needed relief now.”

Under the new rebate/credit law -- and the funding commitment made by the Legislature and the Governor to the property tax relief program -- approximately \$2.2 billion was appropriated for the Homestead Rebates in the FY 2008 Budget. About one-half of the \$2.2 billion program was appropriated for checks delivered in late July to senior citizens, disabled residents and non-senior tenants.

In today's delivery, the balance is appropriated to checks for 1.1 million non-senior homeowners, whose average rebate will be \$966. That amount is more than three times greater than the average amount for this group of taxpayers in last year's budget -- \$285.

"The benefit represents a dramatic increase in relief, particularly to middle-class families," said Governor Corzine. The Governor noted that the average rebate this year for the largest group of non-senior homeowners – the 680,000 with incomes below \$100,000 – is approximately \$1,000. That amount is more than three times greater than the \$316 received by the same income group of non-senior homeowners last year. "But the bigger changes will come over time, when our reforms – such as the property tax cap, consolidation incentives , school spending efficiency standards and a strong state comptroller – take hold," he said.

Eligible non-senior, non-disabled homeowners who filed their applications by August 15 can expect to receive their 2006 rebate checks next week. Those who requested direct deposit will have their rebates deposited directly into their bank accounts. Applicants with incomes of \$250,000 or less will receive a percentage of the first \$10,000 of property taxes. Those with incomes of \$100,000 or less will receive 20% (maximum \$2,000). Homeowners whose incomes are between \$100,001 and \$150,000 will receive 15% (maximum \$1,500), and those with incomes between \$150,001 and \$250,000, 10% (maximum \$1,000). Rebates for applications filed between August 16 and the extended filing deadline of October 31, 2007, will be issued as quickly as possible, but may not be included in this distribution.

Homeowners and tenants who still have not applied for the rebate have until October 31, 2007, to file their applications. Homeowners may file by phone (1-877-658-2972) or online at www.state.nj.us/treasury/taxation 24 hours a day, 7 days a week. Tenants can complete and file a paper Homestead Rebate Application, Form TR-1040. Copies of Form TR 1040 and instructions are available on the Division of Taxation's Web site at www.state.nj.us/treasury/taxation/prntgit.htm. Or, tenants can use NJ WebFile, the Division's free Internet filing system, which is available at www.njwebfile.com

Applicants who have already filed can check the status of their rebate check by calling 1-877-658-2972, or online at www.state.nj.us/treasury/taxation/homestead/06hrintro.htm

Information about the Homestead Rebate Program and other New Jersey property tax relief programs is available on the Division of Taxation's Web site at www.state.nj.us/treasury/taxation/relief.htm or by calling 1-888-238-1233.

\$1.1 billion in Relief to Middle Class Homeowners
Where does it go?

Who: All Homeowners
(1.1 million) How much: \$966 avg. Last year's avg: \$286 Diff: \$680

Who: <\$100k Homeowners
(686,209) How much: \$998 avg. Last year's avg: \$316 Diff: \$682
(20% of first \$10k in taxes pd)

Who: \$100k-150k homeowners
(286,724) How much: \$986 avg. Last year's avg: \$231 Diff: \$755
(15% of first \$10k in taxes pd)

Who: \$150k-250k homeowners
(151,938) How much: \$783 avg. Last year's avg: \$200 Diff: \$583
(10% of first \$10k in taxes pd)