

RESOLUTION #145-20

**AUTHORIZING THE EXTENSION OF A GRACE PERIOD
FOR PAYMENT OF PROPERTY TAXES DUE ON MAY 1,
2020 FROM MAY 11, 2020 TO JUNE 1, 2020 AS
AUTHORIZED UNDER EXECUTIVE ORDER 130**

WHEREAS, the Borough of Keyport, County of Monmouth (the “**Borough**”) is a public body corporate and politic of the State of New Jersey; and

WHEREAS, *N.J.S.A.* 54:4-66 and -67 fix the time for payment of real property taxes and the maximum amount of interest which may be charged for delinquent payment of taxes and assessments; and

WHEREAS, on or about January 1, 2020 the Borough Council, through Resolution #29-20 established a schedule for the payment of real property taxes in the Borough of Keyport; and

WHEREAS, because the Borough is on a calendar year budget cycle, the second installment fell due on May 1, 2020; and

WHEREAS, *N.J.S.A.* 54:4-67 also sets the grace period during which municipalities may not collect interest for unpaid real property taxes; and

WHEREAS, under *N.J.S.A.* 54:4-67(a), local governments may fix the rate of interest to be charged for the nonpayment of taxes, assessments, or other municipal liens or charges, on or before the date when they would become delinquent, and may provide that no interest shall be charged if payment of any installment is made within the tenth calendar day following the date upon which the same became delinquent, thereby establishing a grace period running through May 11, 2020 for second-quarter property taxes in the case of municipalities on a calendar year budget cycle; and

WHEREAS, Resolution #29-20 established a 10-day grace period until May 11, 2020, which was the maximum permitted by statute; and

WHEREAS, the Governor of the State of New Jersey has declared a state of emergency and a public health emergency related to the containment of the spread of the COVID-19 virus; and

WHEREAS, on April 28, 2020, the Governor of the State of New Jersey adopted Executive Order 130 which authorized municipalities to extend the grace period for the payment of property taxes to June 1, 2020; and

WHEREAS, Executive Order 130 confirmed that municipalities were previously without statutory authorization to extend the grace period for payment of real property taxes, and that

altering the interest rate could generate individual confusion regarding property tax payment obligations and may also create or exacerbate local fiscal challenges, including but not limited to, threatening the ability to fulfill obligations; and

WHEREAS, Executive Order 130, in an effort to create consistency among municipalities, stated that, “Any governing body of a municipality with a calendar year budget cycle may adopt a resolution instituting a grace period concluding on a date no later than June 1, 2020 for the payment of second-quarter property taxes;” and

WHEREAS, Executive Order 130 also states that, “No municipality, county, or any other agency or political subdivision of this State shall enact or enforce any order, rule, regulation, ordinance, or resolution that will or might in any way conflict with any of the provisions of this Order, or that will in any way interfere with or impede its achievement, which shall include, but not be limited to, any attempt to provide an additional extension of the installment date or grace period for the payment of property taxes, and any attempt to otherwise temporarily fix, reduce, or retroactively modify the rate of interest charged for failure to make timely payment to achieve this effect;” and

WHEREAS, in recognition of the hardship faced by the residents of Keyport, and the fact that Executive Order 130, signed on April 28, 2020, finally allows municipalities to legally take action to protect its residents and extend the grace period for the payment of the May 1, 2020 real property tax installment, the Mayor and Borough Council deem it appropriate and necessary to offer the maximum extension permitted under Executive Order 130.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and the Council of the Borough of Keyport as follows:

1. The aforementioned recitals are incorporated herein as though fully set forth at length.
2. The Borough authorizes the extension of the grace period during which no interest shall be charged for the late payment of May 1, 2020 installment of property taxes, which was May 11, 2020 under Resolution #29-20 to June 1, 2020.
3. If the May 1, 2020 installment of real property taxes is not paid on or before June 1, 2020, then the interest rates set forth in Resolution #29-20 shall apply retroactively to May 1, 2020.
4. All other deadlines, interest rates penalties set forth in Resolution #29-20 shall remain the same; only the grace period for the May 1, 2020 installment is changed by this resolution.

5. If any part of this Resolution shall be deemed invalid, such parts shall be severed and the invalidity thereby shall not affect the remaining parts of this Resolution.

6. A copy of this Resolution shall be available for public inspection at the offices of the Borough Clerk.

7. A copy of this Resolution shall be forwarded to New Jersey Department of Local Government Services.

8. This Resolution shall take effect as provided by law.

OFFERED:

SECONDED:

AYES: COOPER, GOODE, FOTOPOULOS, MCDERMOTT, PACHECO, SHERIDAN

NAYS:

ABSENT:

I, Michele Clark, Borough Clerk, do hereby certify that this is a true copy of the Resolution adopted by the Mayor and Council of the Borough of Keyport at an emergency Council Meeting held via email communications April 29, 2020.



Michele Clark, RMC
Borough Clerk