ASSEMBLY COMMERCE, ECONOMIC DEVELOPMENT AND AGRICULTURE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4465

STATE OF NEW JERSEY

DATED: DECEMBER 16, 2024

The Assembly Commerce, Economic Development and Agriculture Committee reports favorably Assembly Bill No. 4465.

This bill would revise the "Farmland Assessment Act of 1964" to clarify that the mere cessation of agricultural or horticultural activity on land that is valued, assessed, and taxed as farmland under that law, will not subject the land to roll-back taxes unless an active conversion of the land to a non-agricultural or non-horticultural use takes place. "Roll-back taxes" are the additional taxes assessed on a property that is no longer dedicated to agricultural or horticultural use. The amount of roll-back taxes assessed on a property are the difference between the property taxes paid on the property as assessed for agricultural or horticultural use and the taxes that would have otherwise been due if the property had been taxed as other land within the taxing district. These taxes are assessed for the tax year in which agricultural or horticultural use was discontinued and the two tax years preceding.