RESOLUTION 25-10-10

ESTABLISHING A DISCRETIONARY EXTENDED PROPERTY TAX GRACE PERIOD FOR QUALIFYING TAXPAYERS DURING THE ONGOING FEDERAL GOVERNMENT SHUTDOWN

WHEREAS, P.L. 2019, c.491 authorizes a municipal governing body to extend, by resolution, the property tax grace period for certain qualifying taxpayers during an extended federal government shutdown; and

WHEREAS, the New Jersey Division of Local Government Services ("DLGS"), in Local Finance Notice 2020-25, provides guidance on implementing such an extended grace period, including eligibility criteria, timing, documentation, notice, and required filings; and

WHEREAS, the federal government entered a shutdown at 12:01 a.m. on October 1, 2025, and furloughed federal employees assigned to New Jersey are eligible to apply for unemployment insurance benefits during the shutdown; and

WHEREAS, under P.L. 2019, c.491 and LFN 2020-25, a municipality may extend the property tax grace period only if (i) the federal shutdown lasts more than 21 days and (ii) the shutdown either remains in effect as of the property tax installment due date or concludes fewer than 14 days before that due date; and

WHEREAS, the next quarterly property tax installment in the Borough of Matawan is due November 1, 2025.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Matawan, County of Monmouth, State of New Jersey, that:

1. **Conditional Extension Authorized.**

   Pursuant to P.L. 2019, c.491 and DLGS LFN 2020-25, the Borough hereby extends the property tax grace period for the November 1, 2025 installment for qualifying taxpayers, provided that the federal government shutdown (a) exceeds 21 days in duration and (b) either remains in effect on November 1, 2025 or ends on or after October 18, 2025. If these conditions are met, the grace period for the November 1 installment is extended through February 1, 2026. No interest shall accrue on the November 1, 2025 installment for qualifying taxpayers if paid by February 1, 2026; if unpaid as of that date, interest shall be calculated from the original statutory due date in accordance with N.J.S.A. 54:4-67.

2. **Eligible Taxpayers.**

   Eligibility is limited to a property taxpayer (or the taxpayer's spouse/civil union partner/domestic partner) who is either:

   a. A federal employee furloughed because of the shutdown and receiving unemployment benefits during the shutdown, or who works during the shutdown but is not paid because of the shutdown; or

   b. A federal contractor (i.e., the contractor taxpayer) whose pay is received through a contract with a federal agency but whose payment is delayed or diminished because of the shutdown, provided the contractor receives unemployment benefits during the shutdown.

   Employees of federal contractors are not eligible under this law.

3. **Required Documentation.**

To receive the extended grace period, a qualifying taxpayer shall submit to the Tax Collector, on a Borough form, a certification with supporting documentation.

4. **Scope.**

This resolution applies only to property taxes and does not apply to assessments, water/sewer or other municipal charges.

5. **Administration.**

The Tax Collector is authorized to develop the required application form and administer this program, and the Chief Financial Officer is authorized to make any related accounting entries consistent with law and DLGS guidance.

6. **Notice to Taxpayers.**

Upon effectiveness under Paragraph 1, the Borough shall provide public notice by website posting and at least one additional electronic method (e-mail list, text system, or other digital platform), or regular mail, in accordance with LFN 2020-25.

7. **Filing with DLGS.**

The Municipal Clerk shall transmit a certified copy of this resolution to DLGS at dlgs@dca.nj.gov with the subject line "Property Tax Grace Period – Federal Shutdown" no later than the third business day following adoption.

8. **Severability; Effective Date.**

If any provision is held invalid, the remainder shall remain in force. This resolution shall take effect immediately upon adoption and shall sunset upon conclusion of the applicable extended grace period.

BE IT FURTHER RESOLVED that a true certified copy of this Resolution shall be forwarded to the following Borough of Matawan Departments: Administration, Borough Operations Coordinator, Clerk, Community Engagement Coordinator, Finance as well as the Director of the Local Government Services.

CERTIFICATION OF RESOLUTION

I, Karen Wynne, Municipal Clerk of the Borough of Matawan, County of Monmouth, State of New Jersey, do hereby certify the foregoing to be a true and correct copy of a Resolution adopted by the Council of the Borough of Matawan on October 21, 2025.

IN WITNESS WHEREOF, I have hereunder set my hand and official seal of the Borough of Matawan this 21st day of October, 2025.

Karen Wynne, RMC
Municipal Clerk