

LFN 2020-22

October 1, 2020

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CY 2020/SFY 2021 NINE-MONTH STATE AID RECAPITULATION AND PAYMENT SCHEDULES

The adopted nine-month Fiscal Year 2021 State Budget maintained formula aid program appropriations. This Local Finance Notice summarizes the aid payment program for CY 2020 and SFY 2021 budgets.

The aid breakdown and amounts for each payment cycle are now available from the Division's [Municipal State Aid webpage](#). **Please do not discard the Aid Recapitulation schedule; keep it available for use during the year.**

Please read this Notice carefully before calling the Division with questions. You will find that answers for many questions are covered here. If you still have questions after reviewing this Notice, please call us at (609) 292-4806.

Energy Tax Receipts and CMPTRA Modifications

The adopted nine-month Fiscal Year 2021 State Budget **did not** change the original aid certifications for Energy Tax Receipts (ETR) or CMPTRA that were based on the proposed budget *for that nine-month period*. The net amount shown in the Recapitulation form reflects all formula elements: any decrease in CMPTRA is offset by an increase in ETR and any Qualified Bond offset for municipalities participating in that program.

The CY 2020 Supplemental Energy Tax Receipts payment was paid on July 15, 2020; the SFY 2021 payment will be made June 19, 2021. SFY municipalities receiving these funds for SFY 2020 were paid on June 29, 2020.

Other Programs

1) Municipalities receiving aid under the Watershed Moratorium Offset Aid program will receive those funds as part of the October 1 aid payment.

Payments in lieu of taxes from the Open Space PILOT (formerly Garden State Trust) program made in the fall of 2020 are for all CY 2020 and SFY 2021 budgets. The 54% Garden State Trust increase was eliminated in the FY 21 budget. Municipalities will now receive the same amount they received in prior years. If your municipality has a question regarding this, please call the division.

The GovConnect Vendor Payment Inquiry (VPI) system enables user to determine the source of State payments. If you have questions on how to use VPI, contact the GovConnect help desk at egg@dca.state.nj.us or at 609-973-4724.

Payment Schedules

2) The statutory payment date for the Senior Citizens and Veterans Tax Deductions is November 1 (a separate Finance Notice will identify the amounts and breakdown). The deposit date for this payment is also November 1.

The following CMPTRA and ETR aid installment payment for Calendar Year and State Fiscal Year municipalities details the direct deposit date for ACH payments for the duration of the nine-month budget:

Statutory Payment Date	Percent of Aid	ACH Deposit Date
October 1	45.0%	<i>October 5</i>
November 1	5.0%	<i>November 2</i>
December 1 (CY and TY)	5.0%*	<i>December 1</i>
June 1 (SFY)	5.0%*	<i>June 1</i>

*Subject to adjustment resulting from municipality's response to the Division's best practices questionnaire.

To recap the single payment schedule:

- Watershed Moratorium and Open Space PILOT (Garden State Trust) on October 1.
- Calendar Year Transitional Aid will be disbursed pursuant to the Memorandum of Understanding that each recipient will execute.
- Senior Citizens/Veterans Property Tax Deductions are paid in November.

Municipalities with fire districts are reminded that they must make the appropriate payments for the old Supplemental Fire Services Program to their fire districts by November 1.

Thank you for your attention to these issues.

Approved: Melanie R. Walter, Director

Table of Web Links

Page	Shortcut text	Internet Address
1	Fiscal Reports webpage	http://www.nj.gov/dca/divisions/dlgs/resources/fiscal_rpts.shtml
1	Municipal State Aid webpage	http://www.nj.gov/dca/divisions/dlgs/resources/muni_stateaid.html