New tax structure might provide property tax relief

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By Carl Golden |

In 2004, a legislative effort to convene a constitutional convention to review the state's tax structure gained some momentum, but ultimately collapsed when agreement couldn't be reached on the extent of the delegates' responsibilities.

Recently, there have been stirrings of renewed interest in undertaking a comprehensive examination of how state, county and municipal governments as well as boards of education raise money to support the programs and services they provide.

The impetus then, as now, originated with concern over the annual increases in local property taxes and the seeming inability of government to contain yearly increases of as much as 6 and 7 percent - much less to actually reduce the rates. At an average of just under $8,000, New Jersey has the highest property taxes in the nation.

The prospect of a constitutional convention has not resurfaced, primarily because it would, in all likelihood, fall victim to the institutional wrangling that doomed it six years ago.

While there hasn't been any formal proposal at this point to revisit the need for a tax code review, Camden County Democratic Assemblyman Lou Greenwald, chairman of the Assembly Budget Committee, never misses an opportunity to work some version of the phrase "restructuring the tax system" into his comments about budget issues.

While Greenwald's colleagues may share his view that such a review could be beneficial, they have kept their opinions to themselves, wary of the fierce political backlash from opponents who argue that "tax restructuring" is a code phrase for new taxes.

The issues are exceedingly complex and difficult, fraught with political peril. In fact, one rationale offered in support of a constitutional convention was that